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**IN SEARCH OF WELL-BEING IN THE  
WORKPLACE:  
EXPLORING THE EMANCIPATORY  
POTENTIAL OF PARTICIPATORY  
ACTION RESEARCH**

**A Thesis**

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**In Search of Well-being in the Workplace:**  
**Exploring the Emancipatory Potential of Participatory Action Research**

**Abstract**

The co-optation of employee empowerment discourses by organisations seeking to maximise performance have been argued to contribute to the intensification of control rather than enhancing real employee participation in employment decisions. I challenge the inevitability of such co-option and set out to achieve genuine participation and empowerment.

Through a participatory action research (PAR) programme in a medium-sized, internationally-owned manufacturing firm located in New Zealand, employees and I sought to transform aspects of their workplace lives that they believed would enhance their well-being. The participants and I generated PAR processes that attempted to reflect a Habermasian notion of communicative action. In communicative action Habermas calls for commitment to trustworthy engagement in the achievement of a just society by striving towards ideal speech acts. An uncritical approach to these purportedly empowering processes might contribute to the exacerbation of exploitative processes, the value of participant 'doubt' in analytic processes is consequently discussed. I assess PAR's potential to assist participants to identify and address management attempts to control through instrumental action and its ability to assist participants to engage in emancipatory actions toward communicative action.

In keeping with the emancipatory aspirations of critical theorists, I committed to an 'affirmative agenda' through which we sought to transform the firm's processes toward more employee inclusiveness in decision making. This transformation required a challenge to the embedded and obfuscating discourses of unitarism that deflect attention from the unequal power relations endemic in contemporary capitalism and the strengthening of processes that respect and reconcile fairly the pluralist interests that are the focus of critical theory. The various projects in the programme were intended as a forum through which different groups within the firm might transform the hegemonic forces acting upon them in order to contribute more equally to decisions that influenced their lives.

Through the projects we were able to achieve some specific changes participants believed would improve their workplace well-being. The research process proved to be a useful method of enquiry and change. The processes we experienced did shine light on hegemony for some of the participants and for myself. We did not, however, arrive at the level of mutual trust, sincerity and legitimacy that I had hoped for. Habermas speaks of movement *towards* the ideal. In this thesis I offer hope for such movement towards workplace practices that enhance employee well-being and through which the wealth creation potential of enterprise may serve all humanity well.

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Somebody said it couldn't be done,  
But [s]he with a chuckle replied,  
That maybe it couldn't,  
But [s]he would be one,  
That would not say so, until [s]he had tried.

(Author, unknown)

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## **Glossary**

- AR Action Research
- PAR Participatory Action Research
- CA Communicative Action
- IA Instrumental Action
- ECA Employment Contracts Act 1991
- ERA Employment Relations Act 2000

# 1 BRINGING PARTICIPATORY ACTION RESEARCH TO SERVE EMANCIPATION

An interest in the well-being of people in their places of employment was the starting point for my work in this Ph.D. Some years ago I adopted a life principle to treat people as I would like to be treated, with respect for our differences, integrity and honesty. As an employer, especially in difficult financial times, my philosophy was to pay my staff first, my suppliers second and myself last, taking both the risk and the potential gain. For some time I have been aware that the principles upon which I engage with others in an organisational or business context are not the 'norm'. Reflecting upon my tertiary education in management studies has enabled me to realise that despite my efforts to be conscious of the diverse interests expressed through organisational dynamics<sup>1</sup>, my thinking was deeply affected by a unitarist rhetoric<sup>2</sup> that informs much management and organisational theory. I have become increasingly aware of the hegemonic influences embedded in this rhetoric. During a period where my country experienced liberalisation<sup>3</sup> of our economy, a concern arose for me regarding the exacerbation of already unequal power dynamics. This concern inspired me to co-author a book challenging the influence of a group of neo-liberal business leaders with international associations – the New Zealand Business Roundtable. My disquiet continues in the development of this thesis. I sought a means through which to increase my awareness of hegemonic influences in my own thinking and to create opportunities for others to do so for themselves. Finding emancipatory responses to this increasing awareness drew me to the

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<sup>1</sup> A pluralist view values diversity of characteristics, values and interests arguing they are inevitable in the human experience.

<sup>2</sup> A unitarist view values organisation objectives above others, conflict is seen as dysfunctional. A unitarist view ignores, masks, or deflects attention from the existence of plural and competing interests and the power struggles associated with capitalist systems.

<sup>3</sup> Changes implemented during the 1984 to 1990 period were intended to decentralise the New Zealand labour relations system. It was hoped that these changes would allow market forces to drive wages and salaries in the New Zealand economy (Deeks et al, 1994, p.70). Similar reforms were also taking place in Australia, Britain and Canada and are referred to as new right or neo-liberal ideology. Its historical philosophy is based upon John Locke's perspective and its economic philosophy is based upon Adam Smith's (Snook, 1989).

emancipatory aspiration of Critical Theorists and the liberatory potential of participatory action research (PAR).

Through my thesis I explore participative communicative processes that might be achieved through PAR toward achieving emancipatory, ethical practices and outcomes from the activities that are within our<sup>4</sup> reach. I worked with employees and managers in PAR hoping we might gain a deeper understanding of the ‘systemic mechanisms’ of oppression within business organisations (often invisibly) embedded (and sometimes) intensified through instrumental actions. This process involved a continuous cautionary reflection on the potential of participatory processes to be co-opted for the intensification of exploitation as described by Barker (1993, 1999) and Humphries (1998a).

Our project was conducted in a largely foreign owned, locally-managed manufacturing firm. Employees of this firm were required to comply with corporate requirements imposed from a distant governance. This arrangement made it impossible for workers to gain direct redress in relation to issues they deemed significant. Our work, therefore, was limited to the New Zealand organisation. I do not question that shareholder interests should be included in our analysis of organisations. I recognise that the predominant economic paradigm from which most western people derive their livelihood is capitalist and increasingly internationalised. What is under challenge in this thesis, however, regarding the capitalist system as a whole, and the organisations that constitute that system, is the quality of life and well-being that is facilitated through its processes for those affected by its decisions, particularly employees.

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<sup>4</sup> I deliberately use inclusive terms in this thesis to illustrate the cooperative foundation to our co-enquiry.

The increasingly corporate form of capitalism accelerated through the frameworks generated by globally influential institutions such as the World Bank, The WTO and IMF in the name of ‘development’ and ‘growth’ is under question – not only by critical theorists – but by an increasing range of voices from across the political spectrum. Where the processes of such capitalist enterprises exert exploitation, I seek to contribute to their transformation towards increasing justice and fairness as mandated by concurrent espousal of democratic values in western societies.

Undertaking this thesis provided me with opportunities to explore theory through practical fieldwork, in addition to being able to ‘demystify’ power dynamics. The participants and I began to develop skills to counter instrumental action. I commenced the fieldwork with a practical focus, seeking to work with the participants toward co-discovering ways in which their well-being at work might be enhanced. My personal interest lay in the possibility that we might also explore together our underlying concerns and passions about fairness and justice, and to model the principles of PAR so that the participants might lead the work as they saw fit. Over time, the work indeed moved from a practical approach toward a more emancipatory focus. The shift was driven by the participants. Initially they expressed their perspectives in relatively passive fashions. As they gained confidence in the project (and in the increasing certainty that their anonymity was indeed assured), they became more actively vocal regarding management practices.

## **1.1 BACKGROUND TO THE RESEARCH: IN SEARCH OF WELL-BEING IN THE WORKPLACE**

Employee empowerment and participative discourses have gained favor in commercial and government sectors in western, capitalist countries since the late 1970s. They have been

associated with claims of enhancing employee involvement in organisational decisions. The promotion of these discourses of participation are often rhetorically linked with liberatory ideals implied in the principles associated with democratic governments of nation states, where governments create the legal and ethical context within which organisations find their definition, their rights, and their responsibilities. However, researchers driven by more critical approaches demonstrate that these discourses may be engaged to increase employer surveillance of work, intensify control over the work process, and increase peer pressure toward compliance (Barker, 1993, 1999; Humphries, 1998a). These studies indicate employee participation in the processes of contemporary organisational discourses of contemporary capitalism, which underpin turn of the century organisational practices, invite domestication rather than liberation, exploitation rather than participation and are contrary to the liberatory aspirations of western democracies (Humphries, 1998a; Chomsky, 1998).

I became interested in whether or not exploitation and domestication are inevitable outcomes of employee engagement in organisational practices. In keeping with the aspirations of critical theorists, I sought ways to work with critical interpretations to seek organizational and personal transformation more consistent with the liberatory aspirations of critical theory. Emancipation, participation and equality are dimensions of social justice implied in democratic societies and consistent with the core values of PAR<sup>5</sup>. I have chosen critical theory as the primary analytical lens for this work. Critical theory is criticised for its negativity and its endless chains of reflection (Habermas, 1971). This agnostic emphasis, however, seeks to unmask distortions, exploitation and domestication which are contrary to established values of participation and justice associated with democratic societies. Through the work of Hegel, the ‘unmasking’ of false consciousness came to be seen as a prerequisite

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<sup>5</sup> Reason and Bradbury (2001, p. 1-2) talk of human flourishing, practical issues, knowledge-in-action, participation and democracy contributing to the characteristics of (P)AR.

for the achievement of freedom. Hegel's work influenced that of Jürgen Habermas, who is increasingly influential upon the field of organisation studies. It is in this tradition that I shaped my work.

Habermas (1990, 1977) is one theorist who sought to find a way to continue the process of transformation towards liberation, urging the direction of attention to a 'context forming horizon of social action' through what he calls 'communicative action'. Habermas (1971) offers communicative action as a transformative approach that embraces mutuality and attempts to enhance social justice. Participants seek mutually supportive and productive endeavours - as defined by them – by which they might achieve personal and organisational goals through more creative and humane processes. Such a focus encourages us to imagine the possibility of social change (rather than engaging processes of cultural reproduction) and to consider the formational and transformational aspects of group membership and personal identity.

The concern that my proposed engagement with participants might exacerbate their domestication in the way described by Barker (1993, 1999) and Humphries (1998) I took my position from Couzens, Hoy and McCarthy (1994). These authors advocate that one must mistrust one's own mistrust. After much consideration I am now reasonably comfortable with an approach to critical theory that relies upon the interpretations of participants in an ongoing pursuit to challenge effects of colonisation that may be present in hegemonic knowledge. Based upon liberatory intent, I sought to facilitate co-enquiry, discussion and voice within workplaces to assist participants to enter into dialogue grounded upon *trust, sincerity and legitimacy* (as advocated by Habermas, 1990) to encourage ongoing research, education, and

action through PAR in the pursuit of their mutually agreed emancipatory objectives.

## **1.2 RESEARCH FOCUS AND RESEARCHER POSITIONING**

At the outset of this research I did not realise the extent to which I myself was embedded within a neo-liberal unitarist paradigm. I initially sought to conduct PAR in the interests of 'justice' and 'well-being' as if they had unproblematic and uncontextualised meanings. I read deeply and searched for a theoretical framework I could commit to, one which I could ground my research upon and which would generate working definitions for 'justice' and 'well-being'. I became increasingly engaged in more pluralist paradigms. I sought a critical perspective which might balance what I began to perceive as an overly idealist nature of PAR. I became fascinated with Habermas's notions of the lifeworld and its recognition of the human dimensions that seem to be overlooked in business. During a particularly challenging stage of the fieldwork a manager overtly took instrumental (re)action in response to upward communication from his staff. I began to realise the value of Habermas's notions of instrumental action to describe and understand such actions. My accounts of this co-option of the process contributes to a deeper analysis of processes that will in the future expose and counter such reactions and assist all participants to instead engage in more 'ideal communications'. I sought to engage in an emancipatory participative mode of co-enquiry toward democratic cooperative ends where power is freely given and goals sought for mutual benefit. With this commitment in mind I sought to work with people with whom I could enquire into the experiences of workplace well-being. I did not pre-select participants, but invited volunteers from within the workplace. I hoped our emergent co-enquiry might provide opportunities for the participants and I to reflect upon our individual assumptions regarding our 'rules of engagement' and perhaps choose more emancipatory goals for ourselves and those around us. During the research and writing stages of this research I have experienced a

paradox. The principles upon which my research was conducted required me to be guided by the participants. The traditional requirements for students embarking upon research at this level pressured me to design a research question before I commenced my fieldwork. My decision was to meet the requirements of the institutional guidelines for research by posing open ended questions that provided room for participants to craft their interests. This decision also allowed me to consider extra questions for purposes of meeting the Ph.D. requirements; therefore, I was guided, but not limited by the following questions.

**My over arching question for this research is:**

What might be the outcome of genuine employee voice and participation in organisational decision-making upon workplace well-being?

**My sub-questions are:**

- To what extent is genuine employee voice and participation in organisational matters tolerated within a particular capitalist context?
- Can participants use PAR enquiry as a means through which they might choose to engage in more human communicative interactions?
- Would emancipatory participative practices enhance mutual understanding primarily in the interest of the lifeworld within an economic system?
- Would the experiences of the employees provide insights regarding the ‘systemic mechanisms’ of oppression within business organisations?
- To what extent is it possible to generate a process within a contemporary foreign owned organisation that is not vulnerable to the ‘systemic mechanisms’ of oppression within business organisations?

### **1.3 JUSTIFICATION OF THE RESEARCH**

Critical theorists argue unitarist epistemological assumptions are embedded within the organisational principles and practices of western capitalist organisations. These assumptions ignore, mask, or deflect attention from the existence of plural and competing interests and the power struggles associated with capitalist systems. Gramsci’s analyses of struggles for control led him to develop the concept of hegemony. He “conceives of hegemony as a complex web of conceptual and material arrangements producing the very fabric of everyday life” (Alvesson & Deetz, 2000, p. 87). This web supports the interests of dominant groups within society and becomes established within organisations as normative behaviours. Within

workplaces, hegemony mandates the ongoing legitimacy of dominant groups through the wider economic, cultural and command arrangements endorsed by and endorsing civil society, and governments (Alvesson & Deetz, 2000).

Through pervasive 'common sense', the way of seeing and living that supports the interest of the predominant group is valued and perpetuated over other possible alternatives, even by those who are perhaps domesticated or exploited through it (Humphries & Dyer 2005). These are often expressed as unitarist epistemological assumptions embedded within organisational practices and principles. Money, power and strategically presented symbols and systems can be used to encourage worker compliance with organisational objectives and goals, even at personal expense. To this extent Gramsci's theory of hegemony is implicit in the notion of colonisation of the lifeworld proposed by Habermas (2001) and Deetz (1992).

Strategically presented symbols and systems can enable organisational objectives and goals to be accepted as priorities of all employees. Such hegemonic influence is theoretically associated with processes of assimilation and colonisation (Humphries, 1992). The successful impregnation of 'common sense' with an associated denial of its oppressive and colonising impact is theorised as an expression of false consciousness. This notion has been extended by Brand (1990) to create a notion of fragmented consciousness. Brand proposes fragmented consciousness is utilised in organisational settings through the separation and division of workers.

Habermas considers that 'the system' reacts adversely upon 'the lifeworld' through a colonisation process. In order to prioritise the survival of the system of markets, capitalists advocate moves to assimilate social tensions that stem from their actions. Capitalists thus

attempt to establish hegemonic control communicated through false or fragmented consciousness. Therefore the tolerated power play within organisations contributes to the colonisation of 'the lifeworld' by 'the system'. Habermas (2001, p.78) challenges the superficial attribution of false consciousness to employees suggesting they are more pragmatic than theorists believe. This notion is also articulated by Scully (1998), "there is no mass loyalty without legitimacy" (Habermas, 1990, p.62). Despite deeply embedded hegemonic and colonising processes, the possibility of conscientisation and dissent is always present. Alvesson and Deetz (2000) propose that corporate influences stifle critical reflection through various means and thus strengthen hegemonic control. Instead they advocate the utilisation of Habermas's work in organisation studies paying particular attention to his communicative focus, in order to transform colonising processes to processes of justice. "The hope is to provide forums so that different segments of the society and different human interests can be part of a better, more moral, historical dialogue, so that each may contribute equally to the choices in producing a future for all" (Alvesson & Deetz, 2000, p.15). "Decision making becomes based on the strength of the good, well-grounded argument provided in an open forum rather than authority, tradition, ideology, or exclusion of participants" (p.90).

This research, therefore, seeks ways to focus pragmatic thinking upon mutually-agreed emancipatory objectives. It is this goal that inspires my desire to encourage forms of consciousness-raising and resistance to exploitation. It focuses upon transforming ways of engaging that enable movement from oppressive behaviours toward emancipatory ideals. Therefore, I also examine instrumental strategies utilised by management to fragment worker consciousness in order to colonise worker lifeworlds. I took this focus in the belief that my

exposé might contribute to countering the instrumental ‘illusion’ that ‘the system’ serves all equally or even fairly.

#### **1.4 METHODOLOGICAL ORIENTATION**

Taking a critical methodological approach, my research was oriented toward enhancement of social justice expressed as increased employee well-being through PAR. Habermas’s contrasting concepts of instrumental action and communicative action provided lenses through which I examined particular social interactions in the field. I focused upon both the processes of resistance to corporate colonisation of the lifeworld within organisational contexts and the veracity (1971) of Habermas’s notion of ideal communicative action.

Based upon my desire to achieve enhanced expression of [em]power[ment] through undistorted communicatively achieved engagement I advocated for PAR toward pluralistically generated, mutually agreed emancipatory objectives. Under such conditions “[d]ecision making becomes based on the strength of the good, well-grounded argument provided in an open forum rather than authority, tradition, ideology, or exclusion of participants” (Alvesson & Deetz, 2000, p.90). This was the approach I deemed suitable for my fieldwork focus, as I sought to engage with the participants in responsive co-enquiry toward mutually-agreed goals and outcomes.

This research reports on my examination of the potential application of emancipatory PAR implemented within a workplace. I encouraged participants to work participatively using PAR methods toward solving organisational issues that they identified as requiring attention. The process facilitated planning, action, observation, discussion and reflection regarding factors that the participants considered to be of concern or benefit to themselves and the firm, thus encouraging well-being at both personal and industry levels.

## 1.5 INTRODUCTION TO THE SITE

The material for this thesis is drawn from a PAR project conducted in 2001 and 2002 in a small New Zealand manufacturing facility, owned by German and Danish interests (see Appendix A for an organisation chart). The New Zealand facility produced large customised, small batch, products to meet specific client requirements. Management reported that they employed qualified core workers to whom they provided ongoing training and career pathways with a view to encouraging ongoing employment. Employment practices were governed, within the law, based upon the Board of Directors' overall requirement to maximise return on investment. Founded in the mid 1970s, it was purchased by a multi-national corporation in 1996 as a going concern. From 1997 to 1999, the local firm experienced a significant drop in return on equity. In 1998, flexible employment arrangements were adopted, core worker levels were significantly reduced and management processes were revised to achieve profit-focused goals (see Table 1).

**Table 1: Numbers of core workers**

1997	1998	1999	2000	2001	2002	2003 Projected
85	36	29	30	33	36	42

The firm supplies product to North America, Europe, China and locally within New Zealand. Its shareholders expected return on capital expenditure within three years. It continually sought to broaden its client base and aggressively sought means through which it might reduce costs. The firm achieved significant return on equity during the 2000 to 2002 period (see Table 2).

**Table 2: Return on equity**

1997	1998	1999	2000	2001	2002
-118.0%	-427.7%	-225.5%	41.0%	16.3%	274.0%

During my fieldwork, staff numbers ranged from 33 to 36 skilled core workers. Core workers were paid through salary and significant end of year bonuses. They were highly motivated and skilled as demonstrated by their tendency to consistently work extended hours without supervision and the passion with which they generally approached their work. The firm also employed temporary workers and outsourced the manufacture of components. I was unable to gain access to the temporary employees and outsource component manufacturers; therefore, they were not included in my study. Core workers raised their concerns regarding the impact of casualised work arrangements upon production and work satisfaction. A discussion regarding the impact of casualised work arrangements is provided in Chapter Seven. The permanent staff came from a range of backgrounds, including new immigrants. Two staff held university degrees at the time of my research, the remainder possessed a variety of qualifications and skills, mostly in engineering for which they held certificates and had several years of experiences between them. The organisational structure was largely bureaucratic, with the Board of Directors requiring their input into recruitment decisions. Staff held a degree of autonomy as to design decisions and detail of their work, although they were required to report to management upon the specific use of their time through weekly reports.

## **1.6 STRUCTURE OF THE THESIS**

The firm in which my fieldwork was conducted could be deemed typical of multinational corporations meeting shareholder interests through a capitalist process in an increasingly globalized context. In Chapter Two I discuss discourses in capitalism and employment. Due to the emergent participant lead nature of PAR, my fieldwork focussed primarily upon the organisation in which I conducted my fieldwork. This chapter provides context and draws together the underlying ethos of social justice upon which I develop my arguments. I also

examine the concepts of unitarism and pluralism as they are applied to the analysis of capitalism.

In Chapter Three I provide a history of employment law in New Zealand and discuss some of the assumptions upon which it has been based. Given my interest in the potential of PAR in workplaces, I consider recent employment legislation founded upon good faith bargaining and mediation, which I argue, opens opportunities for the widespread utilisation of emancipatory PAR within workplaces.

In Chapter Four, I examine the critical theory tradition upon which I build my critique. A critical theory perspective provides for robust analysis consistent with the processes and aims of action research methods (Burns, 1994). In a broad sense, critical theory may be used to investigate exploitation, repression, unfairness, imbalance of power, miss-communication, and false consciousness (Alvesson & Willmott, 1996b). First, I discuss the work of key antecedent scholars who influenced the development of Habermasian critical theory. Second, I identify and discuss aspects of Habermas's work, central to this thesis particularly the concepts of 'instrumental action', 'the system', 'communicative action', and 'the lifeworld'. Through the application of these aspects of Habermas's theories, I create a foundation upon which an application (praxis) of critical theory might be achieved. Third, I discuss applications of Habermasian ideas in organisation studies.

In Chapter Five I examine the philosophical and methodological assumptions attributed to PAR, with a focus upon its application in workplaces. PAR is examined through a critical lens particularly in relation to social change (Brydon-Miller et al., 2003). Through PAR the participants take ownership of the research. They identify issues of concern, analyse causes

and alternatives, and implement change strategies. Proponents believe PAR goals contribute to more just societies through redistribution of power, improving physical well-being and socio-political entitlement (Park, Brydon-Miller, Hall, & Jackson, 1993). It is its participative emancipatory foundation that draws me to PAR. However, not all PAR processes are concerned with emancipation; therefore, I utilise Kemmis's heuristic division of PAR approaches to clarify its potentials. I also consider achievement of communicative action through hermeneutic processes.

In Chapter Six I describe my research methods. In particular I discuss the process through which I approached the organisation and positioned myself within the PAR project in consultation with those involved. I also describe ethical considerations and the University of Waikato's ethics approval procedures.

In Chapter Seven I provide researcher perspectives, with particular attention to the potential of PAR to facilitate enhanced understanding. To do so I focus upon participant insights into the effects of flexible work arrangements upon core workers and organisational efficiency. In Chapter Eight consistent with the philosophical and methodological principles upon which the project was conducted, I provide key participants' reflections of the project through quotations. In so doing, I illustrate both the levels of engagement we achieved and the participants' understanding of interactions within the workplace. In Chapter Nine I discuss our findings, suggest implications and recommend further research.

## **1.7 CHAPTER SUMMARY**

The call to praxis associated with a critical analysis requires positive action to engage in research methods that aspire to contribute to the liberation and empowerment of all human

beings. The programme of PAR I undertook for this Ph.D. was an attempt at such praxis. My research confirmed that the approach described in this thesis has potential to assist participants to seek and achieve organisational change. I argue for a strengthening of critical insight and resistance to counter the assimilationist processes of hegemonic control, and strive to expose and transform these places of tension through praxis. Organisational change was achieved but perhaps, ironically, the participants' intention to dialogue engendered a more overt expression of dissatisfaction, revealing the inevitable pluralism within these types of organisations. Recognition of employee dissatisfaction, within an emancipatory context, may enable dialogue toward generation of justice and enhance well-being and thus achieve a more open communicative space with its necessary attendant conflict openly and fairly expressed.

## 2 DISCOURSES OF CAPITALISM AND EMPLOYMENT

In this chapter I discuss discourses of capitalism and employment to spell out the assumptions and objectives embedded in contemporary organisational theory. Using a critical perspective, I examine issues of corporate organisational power and control. I introduce Habermas's notions of power as an emancipatory force. I then reflect upon the division of labour, its isolating effects within societies including increased interdependence due to the specialisation of work practices. I distinguish unitarist and pluralist assumptions about power, control and benefits of capitalist organisational forms and I clarify the pluralist position I have taken. I champion emancipatory participative methods as means to counter the fragmenting effects of contemporary work practices and conclude by suggesting employment legislation might go some way to redress the inherent imbalance of power within the employment relationship.

The capitalistic economy of the present day is an immense cosmos into which the individual is born, and which presents itself to him [sic], at least as an individual, as an unalterable order of things in which he must live. It forces the individual, in so far as he is involved in the system of market relationships, to conform to capitalistic rules of action. ... Thus the capitalism of to-day, which has come to dominate economic life, educates and selects the economic subjects which it needs through a process of economic survival of the fittest. But here one can easily see the limits of the concept of selection as a means of historical explanation. In order that a manner of life so well adapted to the peculiarities of capitalism could be selected at all, i.e. should come to dominate others, it had to originate somewhere, and not in isolated individuals alone, but as a way of life common to whole groups of men. This origin is what really needs explanation (Weber 1976, p.p.54-55 [1930]).

The logic of the capitalist system described by Max Weber in the above quotation was argued by him to have come to dominate all other forms of reasoning in western societies. This form of reasoning carries with it a legitimisation of particular forms of power and a sense of entitlement to control people and processes to serve the ideals of that system of market relationships, even when such service to the system may cause direct or indirect harm.

Durkheim, Marx, Weber and Gramsci are among the western scholars who have struggled to explain the legitimization of capitalist notions of power and control and their consequences on

the lives of people who are increasingly required to engage in some way with this system for their livelihood. The normalisation of capitalist (neo-liberal) notions have reached ever further afield, geographically speaking, and are encroaching into ever more spheres of human endeavour. Habermas (2001 [1984]) calls this encroachment colonisation of the life world.

The work of Weber (1976 [1930]), Marx (1962 [1890] & (1845) and particularly that of Gramsci (Sotiros, 1993) attend to the associated processes of hegemonic control created by and creating domination over others through political and ideological means fragmenting consciousness and generating 'false consent'. They acknowledge, however, that hegemonic control is unlikely to be fully achieved in any society. In human communities, opportunities for emancipation are always embedded in the very injustice of imbalanced power arrangements. Hegemonic control, is unlikely to create fair and sustainable communities over the long run – and has embedded in it, the seeds of resistance or transformation.

Milton Friedman (1962), a key influence on the development of economic and organisational disciplines of the 20<sup>th</sup> century, claimed that the pursuit of profit for stockholders is the primary objective of enterprise. He argued that it is wrong for managers to do anything social outside of their mandate but they should act 'within the law.' Weber (1976 [1930]) notes that the discourses of capitalism and the associated necessity of markets (including labour markets) are presented in western communities as an unalterable state of affairs designed to enforce support for capitalist rules of engagement in pursuit of profit for owners. He advocates investigation into how this perceived order came about and how it is maintained as an apparently immutable way of being (human).

Boxall (1990), an organisational analyst working in New Zealand through the time of most rapid and widespread commitment to neo-liberalism capitalism in this country, notes two key strategies that emerged in contemporary management theory and practice at this time:

- i) reinforced management control and
- ii) the consultative style.

While the first is an overt assertion of the assumed legitimacy of control of the employment process by managers on behalf of owners of the enterprise, the second acknowledges in principle at least, the legitimacy of other interests in the shaping of work place policies and practices. Deetz (1992), Barker (1993; 1999) and Humphries (1998a) however, demonstrate that consultative management approaches, when suppressing or dominating conflict of interests, deny the effects of the imbalance of power within capitalist relationships. This denial results in concertive control diminishing the very principle of the espoused ideals of participation and empowerment. These writers contend that participative management styles may appear to embrace inclusive and consultative social practices, but in actuality they are often driven by exploitative motives that reinforce management control. In this line of reasoning, the two contemporary management strategies noted by Boxall arrive at similar outcomes.

For many critical theorists, the existence of exploitative practices disguised as participative processes raises significant ethical concerns. Articulation of an agreed ethic has preoccupied western philosophers and theorists for a considerable time. Habermas is among those theorists who challenge the subtle processes of systemic control as violation of the principles of mutuality (1977) and proposes working towards societies that are based on mutual respect through what he calls communicative action. Habermas offers communicative action as a means through which emancipatory participation might generate intersubjectively agreed

and recognised relationships (Habermas, 2001 [1984]). Habermas (2001 [1984], 1977) challenges (hegemonic) practices oriented to achieving pre-established objectives of specific interest groups through the instrumental action discussed in chapter four. He reasons that instrumental practices are invalid, any ‘harnessing’ of people to the strategic ends of others – overtly or covertly achieved - goes against the principle of freedom and participation. Instead calling on ideals which espouse full emancipation for all human beings, Habermas argues mutual agreement can only be achieved through ethically-grounded communicative actions. He develops these as notions of truth, rightness and truthfulness.

## **2.1 CORPORATE SYSTEMS AND PRACTICES**

Deetz (1992) argues that in many western locations corporations have been effective in replacing traditional institutions such as communities, religions and extended families to which people identified themselves - which previously enhanced their well-being. Such colonisation of the “life world” has a greater capacity than corporate rivalry to dominate common knowledge, reasoning and life decisions. “The individual becomes centralized as the site of meaning. The fragmented subject is not without political purpose or effects. Such a subject is easier to control and cannot generate a sustained critical stance” (p. 40). Deetz contends that fragmented individuals are vulnerable to the influence of corporations that provide not only the means of survival for these individuals but also a ‘vision’ for the societies in which they live. Fragmented individuals live in a form of corporate cultural vacuum, absent or distanced from value systems that support their lifeworld(s). He suggests that employees’ material needs and wants prompt them to embrace corporate systems and practices. And that business institutions appear to “teach individuals to control themselves” thus producing “inner colonization” (p. 42) and at the same time the fragmented

consciousness of these individuals is reintegrated toward organisational goals, albeit superficially.

Habermas (1977) considers the influence of strategic/instrumental logic as a colonising effect upon the lifeworld. According to Deetz (1992) and Habermas (1977) in circumstances of 'inner colonization,' individuals apparently rational decisions lack important democratic elements as they are based upon pre-determined strategic organisation-centric goals. Such violation is based upon instrumental action, rather than developed in response to broader considerations and mutual determination. Thus a violation of the achievement of self interest of others is seen as structural violence (Habermas, 1977, p.21).

Deetz (1992) proposes that corporations are intensifying the effect of the iron cage of instrumental rationality and the division of labour that were, in various ways, the concern of Marx, Weber and Durkheim. Deetz focuses on the way in which this process turns the organisation into a machine that is "dehumanising the very creature who produced it" (p. 58) and is argued (Humphries 1998) a frankensteinian creation, now overpowering and controlling its creators.

Organisational control mechanisms are 'legitimised' and implemented through sometimes insidious but highly effective means. Deetz (1992) contends the work practices arising from the implementation of mission statements can have negative impacts upon families and communities. He observes that the characteristics of modern economies have become the characteristics of democracy rather than the reverse. Deetz, Tracy and Simpson (2000) consider mechanisms such as mission statements are used by managers to strategically control organisational culture, focusing ideals toward defined organisational goals.

In this line of reasoning, the erosion of democracy by capitalism is evidenced in the operation of multi-national organisations which appear to have no allegiance to specific countries, peoples, or industries (Chomsky, 1998, Kelsey, 1997). Instead these organisations are driven by their own profit-making agenda. Their gross turnover may exceed the gross national product of some countries (Alvesson & Deetz, 2000) and in many cases appears to allow multi-nationals to be accountable primarily to themselves rather than the desires of national citizens. Corporations express their 'requirements' through their overt or covert pressure on democratically-elected governments who are mandated to create the laws (Bakan, 2004).

While Friedman advocates for maximisation of profits within the rule of law, he does not deal with the power differential embedded in capitalism. Organisational power transcends borders through processes which render organisations more economically powerful than are many nations. If governments reduce their own executive roles, they risk transferring significant decision making power, including social and environmental decision-making power, to the business sector. The corollary of this process is that democracy is threatened (Deetz, 1992). Trends in economic, cultural and political globalisation indicate that small nations dependent upon international trade are increasingly influenced by the interest of investors, consequently they cannot easily resist the institutional practices of western corporations. Nor can such practices be defended as the foundation for the well-being of people in emerging economies. Corporate mobility also places the employment conditions of workers in wealthier countries under pressure (Chomsky, 2003).

Alternative discourses to that of the Friedman School of Market Freedom (power and control), comes from those who argue for a stakeholder discourse of capitalist

accountabilities. Proponents of stakeholder theory are critical of the self-aggrandizing agendas of multi-national organisations and argue that businesses must assume a broad range of responsibilities beyond complying with legal requirements and achieving profit. These broader responsibilities include obligations toward staff, customers, suppliers and communities (McShane & Travaglione, 2005). “Some advocates of stakeholder theory argue that the corporation acquires such obligations from an implicit contract between the corporation and the wider society; in return for various legal privileges such as limited liability, the corporation must accept accountability to society at large” (Kerr, 1996a, p.7). Stakeholder theorists maintain that by meeting these broader responsibilities to the communities with which they engage they are ensuring their corporate citizenship and ultimately their survival (Grant, 1998).

Proponents of liberal capitalism base their sense of justice on the supposition that markets, left to operate freely, will reward participants fairly. This assumption supports a ‘unitarist’ perspective. Deetz (1992) advocates understanding and exposure of masking processes which suppress alternatives to the unitarist proposition and privilege “the corporate development of the obedient” (p. 58). He seeks alternatives that encourage the emergence of more balanced power relationships among the stakeholders of capitalist societies. Deetz therefore champions research that reclaims “conflicting experiences through describing the practices and routines by which alternatives are disregarded or rendered invisible” (p. 59). In the pursuit of more democratic practices he argues for democratic communication founded upon the “formation of knowledge, experience, and identity, not merely their expression” (p. 47). Jurgen Habermas (2001) [1984]) and researchers building on this work, invite the continued analysis of power and control as exercised in market economies, while offering other possible

conceptualisations of power that are generative and may contribute to balancing of power, the creation of mutuality and the achievement of democratic ideals.

## **2.2 HABERMAS ON POWER**

Habermas considers the rules attributed to instrumental action involve the calculated use of force to achieve pre-established goals and prevents other individuals or groups from realizing their interests. Such behaviour is prominent in western modes of organisation and has undoubtedly increased in scope and destructive potential in modern societies (1977, p.p. 17-18). In contrast he argues, within the ideals of mutuality only the rules of action agreed on by those involved are to be considered valid. Validation is achieved through the process of establishing agreement, of coordinating motives and norms of action through communicative action (Habermas, 2001 [1984], 1977). Therefore, any examination of rules and norms of action must include consideration of the processes of power that have been used in their formation. It is through such analysis that the validity or legitimacy of forms of power may be assessed against the articulated ideals of a given society. Habermas makes important distinctions between the rules of strategic and instrumental action, and the rules for achieving mutuality through communicative action. In each case power takes different forms, and is based upon different objectives, rules of action and methods.

Habermas (2001[1984]) contrasts two different conceptualisations of power:

- i) the power of force and
- ii) the power of agreement (Habermas, 2001 [1984]).

In each case “[p]ower serves to maintain the praxis from which it springs” (Habermas, 1977, p.6).

Habermas (1977) views the achievement of instrumental managerial goals through force as structural violence, a violation of the principles of mutuality. Such force may be exercised overtly or covertly, including through *illusionary* forms of communicative action. As argued in the following quotation, power might not be presented as force, but efforts made to systematically restrict and block communications that would otherwise bring about the power of agreement.

Structural violence does not manifest itself *as force*; rather, unperceived, it blocks those communications in which convictions effective for legitimation are formed and passed on. Such an hypothesis about inconspicuously working communication blocks can explain, perhaps, the formation of ideologies; with it one can give a plausible account of how convictions are formed in which subjects deceive themselves [or are deceived] about themselves and their situation. Ideologies are, after all, illusions that are outfitted with the power of common convictions. This proposal is an attempt to render the communicative production of power in a more realistic version. In systematically restricted communication [fragmented consciousness through instrumental action], those involved form convictions subjectively free from constraint, convictions which are, however, illusionary. They thereby communicatively generate a power which, is as soon as it is institutionalized, can also be used against them (Habermas, 1977, p.p. 21-22, emphasis in original).

People in such circumstances are deceived, or deceive themselves, into thinking they are entering into free dialogue and free convictions (Deetz, 1992, p.p. 57 & 60). Such hegemonic control is a contradiction of the principal of freedom and thus an invalid use of power in democratic societies (Chomsky, 2003). Actions based upon strategically or instrumentally achieved decisions might later be used against those who were shepherded into accepting that which they were not able to resist (Durkheim, 1960, p.356 [1893]). Whether people were deluded about the extent of their participation or not, does not alter the outcome as one of domination and abuse of power and thus, in Habermas's terms, an expression of violence.

Arendt (1967, cited in Habermas, 1977) argues that it is not necessary to establish the difference between illusionary and non-illusionary convictions. Habermas suggests that such distinctions are founded upon opinion which therefore "cannot be true or false in the strict

sense” (p. 22). In terms of understanding the transformative potential of Habermas’s analysis, I would argue that understanding the different ways in which people are overtly or covertly manipulated, and the extent to which they themselves collude in such (self) deception, becomes essential for the formation of emancipatory processes and thus movement towards the liberatory ideals of Western democracies.

Those who exercise force are prepared to impose their “own will on the behavior of others” (Habermas, 1977, p.3). Habermas argues therefore, the rules attributed to instrumental action are not valid in a democratic context as they are directed toward achieving the objectives of some, rather than the achievement of mutuality. In exposing the overt or covert acquiescence of people to the strategic ends of others, Habermas has opened a window on the (ab)use of power in western societies purportedly committed to freedom and participation. He also contributes a potential emancipatory response to his analysis. Habermas seeks to reconsider the concept of power and the use of such energy to reach full and uncoerced agreement among people.

Habermas (1977, p.4) builds upon Arendt’s (1970) view of the power of power. Arendt proposes power does not belong to individuals, but resides in relationships through which members might choose to empower individuals to act on their behalf. She argues the primary act of legitimate power is based upon agreement through mutual consent. Legitimate power stems from social systems abilities to achieve their collective goals through agreement.

In Habermas’s (1977) view, in order for rules of action to be valid they must be intersubjectively agreed upon by participants through communicative action and recognised through mutual understanding - not deceit or instrumental co-optation. Habermas

recommends “rational discourse” (p.p. 22-23), the power of agreement, based on mutual consent and attained through communicative action in pursuit of commonly agreed goals. Therefore, through rational discourse participants engage in processes of discovery striving to overcome or avoid the colonising effects of imbalances of power implemented through instrumental action.

### **2.3 THE COLLECTIVE (UN)CONSCIOUS**

The ideal towards which democratic societies aspire is one of human liberation in which trust and equal participation are central to its associated notions of justice. The instrumentalisation of humanity goes against this ideal (Habermas, 1997). Alvesson and Willmott (1996) describe instrumentalisation through their argument that management is conventionally practiced upon instrumental ‘logic.’ It is an elite mechanism designed to justify the control of employee effort through social division to meet organisational goals. The emergence of a formalised group of managers, deemed, rewarded and controlled as the agents of the owner, is a social and organisational construction that obfuscates their real status as employees with similar vulnerabilities to other employees. Such ‘privileged’ claim that they are primarily accountable to shareholders’ profit requirements and that the conditions they maintain (or are required to diminish) are necessary to the survival of the firm, the industry and thus the occupations as they exist within such instrumentalised practices.

Alvesson and Willmott (1996) contend management can never be ‘value free’. They argue that in organisational theory managers are presented as infallible experts who get things done through other people. Managers attempt to separate themselves, or are separated by the nature of their education, training and rewards from employees and other stakeholders through socialisation processes that require allegiance to established organisationally-focused values

and callings. Separating processes within organisational practices are described by Habermas (1977) within his discussion of political orders which isolate citizens through mistrust, fear and breakdowns in communication processes.

Every political order that isolates its citizens from one another through mistrust, and cuts off the public exchange of opinions, degenerates to a rule based on violence. It destroys the communicative structures in which alone power can originate. Fear heightened to terror forces each to shut himself [sic] off from every other; at the same time it destroys the distance between individuals. It takes from them the power of initiative and robs their interaction of its power to spontaneously unify what is separated: 'Pressed together with everyone, each is totally isolated from all' (Habermas, 1977, p. 10, emphasis in original).

Brand (1990, p.xii) argues that contemporary management practices in capitalist firms/societies involve such fragmentation of coherent worker awareness producing fragmented consciousness. Through fragmented consciousness, managers are able to prevent workers from conducting global interpretation of their employment situations that negatively impact upon their power of real agreement. Through social and workplace practices people are separated and divided through various means, including specialisation of work practices, competition and reduced opportunities for interpersonal interchange. Their supportive interpersonal communicative practices are undermined, fragmenting individuals' shared consciousness. Such fragmented individuals are compelled to compete against one another. They have limited capacity or opportunity to question the system that manoeuvres them toward a behaviour metaphorically depicted as the 'survival of the fittest'.

### **2.3.1 The survival of the fittest**

There are deep ontological differences between those who understand human society to consist of isolated and competing individuals who strive for their own survival or aggrandisement, and those who believe that humanity is a species of interdependent creatures whose integration with each other and the natural environment is an essential requirement for human and ecological flourishing. This discussion is continued in Chapter Three focusing

upon Keynesianism, neo-liberalism and The Third Way. At the turn of the 19<sup>th</sup> century Durkheim (1960, p.p.414-418 [1893]) reflected upon his contemporaries' elevation of pursuit of individual interests above collective interests. In contrast, he argued that rules of ethics that do not support collective life in recognition of interdependence should be eliminated for the protection of all. He acknowledged that the discussion that predominated at that time was not complete. He argues that 'natural selection' is

natural selection is, in the last analysis, a rather coarse method of perfection. It can rid itself of the most imperfect beings, and thus ensure the victory of those comparatively the most gifted. But it is reduced to a simple process of sorting; by itself it creates nothing, adds nothing (p. 418).

Durkheim (1960 [1893]) concluded that while natural selection removes the need to make difficult ethical decisions regarding peoples' futures, it cannot enhance the usefulness of those who survive such individualist endeavours (p. 420). Durkheim proposed a more organic model for society, one based upon laws and customs that encourage and support social interactions (p. 420) and interdependence. These are the concepts that Habermas develops through his articulation of the lifeworld of culture, society, and personality. These concepts are central to this thesis and are further discussed in Chapter Four. For the purposes of this thesis I am focusing on collective employment life contextualised in an intensified form of globalising capitalism.

### **2.3.2 Specialisation through the division of labour**

Durkheim (1960 [1893]) proposed there are two ways of regarding people within industrial society: Each person is

- an individual "sufficient unto oneself", that is, independent; or
- people are interdependent "a part of a whole" (p. 41) that is, interdependent.

Durkheim observes that the division of labour renders the individualistic independent way of regarding people increasingly difficult to take.

Nowadays, the phenomenon [the division of labour] has developed so generally it is obvious to all. We need have no further illusions about the tendencies of modern industry; it advances steadily towards powerful machines, towards great concentrations of forces and capital, and consequently to the extreme division of labour. Occupations are infinitely separated and specialized, not only inside the factories, but each product is itself a specialty dependent upon others (Durkheim, 1960. p. 39 [1893]).

Durkheim (1960 [1893]) posits the division of labour is a process that renders civilisation possible, therefore, he argues it has a “moral character ...for the need of order, harmony, and social solidarity is generally considered moral” (p. 63). He argues specialisation through the division of labour results in interdependence (moving us further away from self-sufficiency) bringing with it social and moral choices on how we relate one to the other. According to him, specialisation developed in this way may facilitate enhanced development of individuals’ skills in specific areas and consequently lead to enhanced production.

Durkheim (1960, p.354 [1893]) also notes, however, that the division of labour sometimes does not bring about social solidarity but rather conflict between ‘capital and labour’ and disintegration of relationships between workers. Durkheim attributes such breakdowns in social solidarity to the separation of management (as the agents of the owner/capitalist) and workers suggesting that “from that time a sharp line is drawn between master and servant” (355). This separation increases management’s capacity to control workers and inhibit the workers’ ability to question managements’ edicts. Management and workers are separated, increasing each group’s capacity to unite in force against the other – while decreasing the likelihood that managers and workers will recognise a mutual interest in a closer understanding of their necessary interdependency.

Marx (Habermas, 1971 [1965]) considered that work changes workers. Durkheim (1960, p. 129 [1893]) argued that change occurs through increased specialisation of work. According to Durkheim (1960[1893]), specialisation through the division of labour polarises interpersonal relationships, fragmenting inter-group awareness, and at the same time increases [perhaps unrecognised] interdependence between peoples. He describes such phenomena as opposite forms of solidarity, similar in every way except in relation to that which binds the individuals in question. The first values uniformity of group interest, it “binds the individual directly to society without any intermediary” (p. 129) through common beliefs and sentiments. “This solidarity can grow only in inverse ratio to the second, personality” (p. 129) which binds members through specialised abilities and functions (contributions) bringing people together through consequential mutual interdependence (i.e. as specialists we each need the skills/ produce of others). Therefore, Durkheim argues an individual depend “upon society, because he [sic] depends upon the parts of which it is composed” (p. 129).

There appears to be an interesting connection between those who promote a unitarist view of the outworkings of capitalist ideals, and those who are committed to expose disparities of power through pluralist views. In a unitarist view, on the surface akin to the organic solidarity proposed by Durkheim, the interdependence of the diverse participants in capitalist systems is mutually served when all parties serve the principles of economic efficiency and growth. Pluralists are more alert to power imbalances between various parties and seek to have these made visible and perhaps ‘balanced’ through social regulation realised though legal intervention.

In the face of the emerging emphasis on individual freedom that came into prominence during his time, Durkheim argued for the respect of social interests above those of the individual.

The tension between those who understand the liberation of individuals from social constraints and those who argue for a responsibility to values beyond individual self interest have manifested at the macro level as ranging from commitments to liberalism to state control of all institutions. In New Zealand, at the time when this research took place, a rapid and widespread commitment to neo-liberalism had been well-established (Harris & Twine, 1998, Kelsey, 1997, Hazeldine, 2003).

#### **2.4 ORGANISATIONAL FRAMING: UNITARISM OR PLURALISM AS TRUISTIC DEVICES?**

Ideological predispositions are reflected in workplace practices and relationships.

Expectations vary according to the assumptions upon which they are based. When attempting to more fully understand ideological predispositions (including our own) and their influences upon workplace practices and relationships, consideration of our ideological assumptions is pivotal. The concepts of 'unitarism' and 'pluralism' provide useful heuristic devices for enhanced understanding of the distinguishable ideological assumptions that propose distinctly different views about the extent to which the dynamics of capitalism serve all stakeholders and the way in which power is harnessed to serve those interests (Boxall & Purcell, 2003).

Through a unitarist perspective, "conflict is seen as dysfunctional, unnecessary and regrettable" (Deeks, Parker, & Ryan, 1994, p.25). While diverse perspectives are inevitable in complex organisations, according to Boxall and Purcell (2003) unitarist employment relationships assume that the only valued perspective of organisational order is that of management. Through this perspective, the interests of management are universalised and are

presented as to be in the interests of all (Alvesson and Deetz 2000, p. 85). Those who hold a unitarist position consider that managers have the right to impose their preferences upon workers and that their endeavours to provide order should be supported by all members of an organisation (Deeks, et al., 1994). Under such conditions, there is a clear distinction between the rights and responsibilities of managers and those of workers (a consequence of the division of labour associated with specialisation), only organisational interests as articulated by management are legitimated. Conflict is viewed as fractional. Unions, as an organised voice for employees, are represented as “a mechanism for the expression of employees’ greed” and as such must be controlled or suppressed (Deeks, et al., 1994, p. 26). Unitarism underpins the construct of the managerial position found in neo-liberalism, as a stance that advocates that businesses focus their energies toward a single objective. In the predominant form of capitalism from the mid twentieth century, including the time of this research, this objective is the maximisation of profit for the benefit of stockholders. Any contrary doctrine is seen as subversive (Perline & Poynter, 1988).

Alvesson and Deetz (2000) argue that unitarist ideals are used to colonise people and to co-opt (or domesticate) them into accepting organisational control. They focus not only on the suppression of diverse interests among people in organisations, but claim also that even the identity of people is much more complex than a unitarist framework allows. Unity is considered a fictitious concept used to suppress conflict, isolate people and privilege organisational control. Libertarian discourses claim to recognise the freedom of individuals but in the expression of predominating economic agenda these individuals are, according to a pluralist view, co-opted to accept unitarist objectives that may indeed go against the personal interests of individuals. Alvesson and Deetz (2000, p.98) argue that the autonomous individual presented by unitarists is a fiction. The identity of the contemporary individual is

fragmented, disassociating people from their traditional attachments. In attempts to stabilise such fragmentation, individuals with encouragement of organisation rewards – such as a promise of income (security) or punishment (fear of expulsion) - transfer their traditional attachments to their corporate or organisational employment identities. Individuals' associated acceptance or tolerance of the unitarist view of organisations, renders their lifeworlds susceptible to manipulation by the system and to colonisation (Deetz, 1992).

The need to belong, to be a social being, (the uniformity component of Durkheim's (1960 [1893]) notions of solidarity) is a human characteristic open to exploitation by domesticating or pressurising people to subject themselves (perhaps unconsciously) to the service of organisational goals, even when this subjugation may be to their personal detriment. Personal individuality as represented by Habermas's (2001 [1984]) notions of the lifeworld and expressed through Durkheim's (1960 [1893]) notions of individualism is thus coopted toward serving organisational objectives and where its harnessing results in exploitation, the conditions of hegemony may be created.

The individualistic concepts that underpin libertarian ideals of justice, are argued in this thesis to be insufficiently robust to account for the need 'to belong' or to account for the social aspect of our being human. Where libertarian ideals are enveloped in a neo-liberal economic context, the inadequacies of this concept are exacerbated – and with it exacerbation of the fragmentation and isolation of human beings, exposing them to the exploitative impulses of a capitalist system that individuals alone have little chance of resisting or redressing.

In contrast to unitarist perspectives, a pluralist view takes up the notion that diversity of characteristics, values and interests is inevitable in the human experience. Pluralists see such

diversity as normal and desirable understand conflict “as an inevitable and potentially positive element in a democratic system, both at the level of the organisation and at the level of the state” (Deeks, et al., 1994, p.p.25-26). Pluralists recognise organisations consist of subgroups and individuals who hold different and unique goals and objectives. Such goals and objectives include “the trade-off between employee income and the profit of the firm, and the tension between employee control of work decisions and conditions and control by the employer” (Boxall & Purcell, 2003, p.16). Pluralists recognise that there are a number of equally valid points of view and no one single ‘truth’ can convey the complexity of the human condition. Through a pluralist perspective, people are encouraged to respect those who hold different viewpoints from their own. Conflict between parties is considered inevitable and even healthy. Fair resolution of conflict may be reached through bargaining processes. Deeks, Parker and Ryan argue, for pluralists, management’s role is to facilitate these processes. The legitimate role of workers in negotiations is to redress the unequal distribution of power within employment – sometimes through union representation. The successful engagement and resolution of conflict is viewed as a process of checks and balances in the interests of democracy. They suggest, it is welcomed as evidence that any one group is not being suppressed or oppressed by another (Deeks, et al., 1994). The resolution of conflicting opinions need not be construed as an oppositional process, however. Pluralists consider cooperation to be fundamental to the employment relationship, bringing about both intrinsic and extrinsic rewards (Boxall & Purcell, 2003).

Alvesson and Deetz (2000) suggest that over time “many researchers doing interpretive work have begun to question the logic of [attempts to] displaying a consensual unified culture and have attended more to its fragmentation, tensions, and processes of conflict suppression” (p. 34). Habermas (2001 [1984], 1971 [1965]) denounces conflict suppression through

instrumental action and instead offers liberatory concepts of dialogue through communicative action as a vehicle through which we might achieve intersubjectively agreed mutuality that recognises and celebrates plurality. I argue that pluralist interpretations and aspirations are consistent with general principles of critical theory and that Habermas's notions of communicative action provides a process through which to potentially achieve the resolution of conflicts of interests towards a just society.

## **2.5 CHAPTER SUMMARY**

Narrowly defined profit driven organisational pursuits achieved through the division of labour as documented by Durkheim, Marx and Gramsci, and the power of force through instrumental action which Habermas identified as structural violence, each contributes to fragmented consciousness associated with the contemporary employee in capitalist organisations of the late 20<sup>th</sup> Century and early 21<sup>st</sup> Century. Profit focused organisations, generating a unitarist rhetoric while fragmenting isolating and controlling individuals, suppressing and denying their real interests through the harnessing of their energy to 'organisational goals' (private interest of owners) through the force of instrumental action, are, according to Habermas, committing a form of violence. Such harnessing of humanity to selective organisational goals, I deem counter to the participatory ideals of democratic societies and any associated exploitation, is seen as a violation of western principles of justice.

The division of labour, as a method to serve principles of 'efficiency' and 'effectiveness' in the capitalist understanding of such notions has separated the work now purportedly relocated to employees under the regimes of employee participation programmes. However, the paradigm within which their 'participation' is framed has already circumscribed their 'options' (Barker, 1999; 1993, Humphries, 1998a). This polarises their positions regarding

organisational objectives as conveyed through managers. The domesticating and colonising effects of this are exacerbated by the adherence to a unitarist ideology.

In this thesis, I assume, along with many others, that more cooperative relationships between management and employees is desirable from a humanitarian perspective. With Boxall and Purcell (2003) I argue that human beings are interdependent, social creatures. Their needs and interests are diverse. In meeting these diverse interests fairly and for all, democratic societies project a participatory ethic and a non-exploitative, emancipatory notion of justice. Pluralist approaches to the pursuit of these ideals, (approaches that resist an overly simplistic [and perhaps false] unification of interests) are generally in keeping with the aspirations of democratic societies. With Habermas (2001 [1984], & 1977), I argue that the key to participation is gained through agreement and through critical awareness of the need to balance and resolve differing interests and aspirations, not through the harnessing of human vulnerabilities to the interests of a few achieved by coercion or force.

I seek to draw my work into a notion of an organisation that embraces diversity and plurality of interest toward the achievement of well-being without oppression, exploitation or coercion. While we have perhaps not reached the ability or willingness to behave in mutually life enhancing ways, we need legal regulation to constrain exploitation. However, the law is often an oppositional and instrumental discourse, it is not a discourse of communicative action, but may be a discourse necessary to provide a framework upon which more ethically-driven discourses might be constructed. To this end I next examine the contextual influence of employment legislation that might redress the inherent imbalance of power within employment relationships in contemporary capitalist societies and in particular in the form dominant in New Zealand at the time of the research.

### 3 EMPLOYMENT LAW IN NEW ZEALAND

In this chapter I review key philosophical assumptions underpinning the significant changes in employment law over the past two decades in New Zealand, under which the cite of my field-work was operating and its employees affected. These changes entailed a move from the predominance of Keynesian economic perspectives to the rapid and wide reaching commitments to the ideals of the neo-liberal dominating in the government's economic caucus. As the social and economic impacts of this move became untenable, the same Labour government that was so passionate about the necessity for liberalism in 1984 came to be an advocate for The Third Way. Impacts of these chances of economic theory were manifest in employment law with the intention of deeply affecting the nature of the relationship between employers and employees.

The emancipatory aspirations of critical theorists that inform this thesis require attention to historical and political contexts of social relationships. In this chapter I trace the attempt to establish a unitarist ideology to employment relationships. Ironically, this unitarist ideology was intended to thrive under legal constructs that exacerbated individualisation of employees and intensified competition between them. At the same time this ideology weakened the instruments that might have served the balancing of unequal power though a more transparent recognition of the plural interests that characterise capitalist relations.

Employment laws and the philosophies upon which they are based are designed to impact employment relations within and among workplaces. Such laws may have intended and unintended consequences. The changes brought about through legislation can change values and attitudes to employment, their impact can be enduring and have influence well beyond the specific arena for which they were intended. Weber (1968) contends the achievement of

imposed power as unsustainable (due to its undemocratic underpinnings) and instead commends the achievement of power through concurrence. Habermas (2001) echoes such thinking in his focus upon the power of agreement discussed in Chapter Two and in anticipation of ideal speech situations discussed further in Chapter Four. Critical theorists might see the achievement of concurrence as 'hegemony' if it is not the genuine consensual interchange to which Habermas aspires, evaluated and tested through conflict (2001 [1984]).

Prior to the Labour government reframing, the economic structure New Zealand was "... one of the most highly regulated in the Western World" (Deeks, Parker, Ryan, 1994, p.66). Areas under control included exchange and interest rates, imports, state monopolies, export incentives, producer subsidies, regulations controlling banking and transport. From 1984, the Labour government in New Zealand initiated moves that changed New Zealand from being one of the Western Worlds most highly regulated countries, to a predominately neo-liberal free market economy (Deeks et al, 1994), introducing and embedding the most rapid and wide reaching commitment to neo-liberalism undertaken voluntarily by any country (Kelsey, 1997). The neo-liberal ideology embraced (but did not fully implement) the following neo-liberal concepts. First, concept of rights', people have rights which cannot be taken from them, as long as they do not intervene upon others rights. As such welfare is not compatible with this view of rights, it is thought that the distribution of wealth through taxes intervenes upon individual rights. Second, concept of state control is minimalised to the protection of people within a countries boundaries and the control of civil and military force. Third, justice did not allow for interventions such as taxation, welfare or medical care at the expense of others. Re-distribution of wealth in order to redress inequities was considered to be un-just, however compensation for past injustices were acceptable. People do not come together as

communities, they come together as individuals for the purpose of trade (Snook, 1989, p.p.9-10).

This move was facilitated by the public dramatisation of ‘an economic crisis’ and the call to the country to work together to improve productivity and efficiency by accepting responsibility expressed as greater collaboration between employers and employees – a collaboration that promised unions a place at the table of power. At this time, industrial relations were being redefined by the demonisation of relationships between employees and unions, a relationship presented as conflictual and destructive. The simultaneous promulgation of participatory management practices sought to inspire employee trust in firm specific relationships. As the associated rhetoric of responsibility for self (contrasted with loyalty to a union), industry need for flexibility and the significance of global competition was embedded in the public consciousness, the conditions for the Employment Contracts Act 1991 (ECA) were set in place (Humphries, 1998b).

The ECA, based upon a neo-liberal philosophical perspective brought a fundamental philosophical shift in labour market policy. An Act designed to promote an efficient labour market, history now tells it failed to deliver the economic growth or raises in general living standards its advocates promised (Hazeldine, 2003). In particular the ECA was designed to provide for freedom of association, to ‘allow’ employees to determine who should represent their interests in employment issues. It enabled employees to enter into individual employment contracts with their employers, or to be bound by collective employment contracts to which their employers were party. Establishment of individual, collective, or a combination of employment contracts was a matter for negotiation by the parties themselves (Deeks, Parker and Ryan (1994). Negotiations between employers and employees were conducted under a moderately restrained imbalance of power. The ECA was justified upon an

*assumption* that all parties had equal bargaining power; this was not generally born out by experience (Wilson, 1997; Smithies, 1997). The individualisation of employees, the exacerbation of competitive rhetoric, often high levels of unemployment and widespread organisational restructuring during this time, allowed the strong to exploit the weak and in many situations allowed employers to dictate employment contracts (Harris & Twinaime, 1998; Wilson, 1997). In 2000 a Labour coalition government replaced the ECA with the Employment Relations Act (ERA). The ERA was designed to address the negative consequences of the ECAs 'contractual' employment relationship underpinning and its inherent inequalities. The ERA promotes collective, cooperative, inclusive, principles through good faith, mutual trust and confidence in employment relationships (Skiffington, 2001). It was during the transition from a context governed by the ECA to one influenced by the ERA that my research was conducted.

### **3.1 KEYNESIANISM**

John Maynard Keynes developed an economic philosophy designed to redress the impact of the Great Depression by stimulating demand (Gamble, 1996). "Keynes showed how market capitalism could be stabilized through demand management and the creation of a mixed economy" (Giddens, 1998c p. 9). The theory (which became known as Keynesianism) has two key elements: "to create a more equal society" through redistribution of wealth by way of taxation and "to protect individuals across the life cycle" through the provision of a comprehensive social welfare system (Giddens, 1998c, p.p. 9-10). Keynesianism requires a strong government presence in the economy that would provide democratic collective decision-making and direction for the common good. Such societies are generally characterised as social democracies. The characteristics of such societies identified by Giddens (1998c) are outlined in Table 3 below:

**Table 3: Classical social democracy (the old left)**

- Pervasive state involvement in social and economic life
  - State dominates over civil society
  - Collectivism
  - Keynesian demand management, plus corporatism
  - Confined role for markets: the mixed or social economy
  - Full employment
  - Strong egalitarianism
  - Comprehensive welfare state, protecting citizens ‘from cradle to grave’
  - Linear modernization
  - Low ecological consciousness
  - Internationalism
  - Belongs to bipolar world
- (Giddens, 1998c, p.7).

According to Giddens (1998c), Keynesian principles are now considered inadequate to deal with contemporary social norms, including equal employment opportunities and globalisation. Giddens points out a number of key social, political and economic factors that differ from Keynes’ time. In the time of Keynes, it was assumed that, generally, men worked for money and women undertook unpaid work for their families (Giddens, 1998c). Unemployment statistics at that time, for example, did not include women as it was assumed they were not seeking paid employment (Deeks, Parker & Ryan, 1994). Elite state bureaucracies monitored government policies and tended to become self-satisfying. Such entities are now generally deemed a financial burden to communities and many are being curtailed or disestablished through process of privatisation. Governments in the Keynesian context sought to protect their nation’s economic equilibrium. In the contemporary context, the market is presumed to operate better without such government intervention, although governments still struggle to attain ‘optimum’ levels of protection (Giddens, 1998c).

While productive activity is part of all human societies incoming settlers brought a capitalist ethos to Aotearoa (New Zealand). When New Zealand was first colonised, it was subject to British law, and developed its own legislation over time. By 1894 the Industrial Conciliation and Arbitration Act was passed. It encouraged collective organisation and action between workers and employers and provided state-sponsored conciliation and arbitration (Rudman, 2002). The first New Zealand Labour Government of 1935, led by Prime Minister Michael Joseph Savage, initiated reforms along Keynesian principles. Salaries were increased, compulsory arbitration was established, minimum wages were set, employment was generated at full wages and welfare systems were enhanced. Keynesian governments worked from the assumption that organisations are “coalition[s] of individuals and groups, each pursuing their own goals and objectives but dependent upon the others for mutual survival” (Deeks, Parker & Ryan, 1994, p.27). Government participation was deemed essential in order to satisfy the requirements of affected parties, unionism was encouraged and at times compulsory. Tripartite groups negotiated and struck minimum codes of employment which were presented as national wage awards (Deeks, Parker & Ryan, 1994). The explicit recognition of the varying and sometimes conflicting interests of parties provides a pluralist perspective to employment relationships.

Government policies based on Keynes’ perspectives dominated to varying degrees in a number of western nations around the mid-20th Century. From the mid-1970s, however, Keynesianism was increasingly challenged by free market ideals in many western countries (1998c), predominantly labelled neo-liberalism.

### 3.2 NEO-LIBERALISM

Friedrick Hayek, an early disseminator of neo-liberalism, considered individualism to be the foundation of modern civilization. Its principles embrace individual pursuit of liberal codes. His views gained increasing support in the mid-1970s (Gamble, 1996). Across the world neo-liberals, including members of the World Bank, applied pressure to replace Keynesianism with neo-liberalism (Kelsey, 1997) and establish neo-liberal practice through international conventions (Harris & Eichbaum, 1999). From the early 1980s government policies in many western democracies were increasingly based upon Hayek's principles. By the 1990s neo-liberalism was promoted as the preferred economic approach for the global capitalist economy. Neo-liberal philosophies gained international support implemented by Ronald Reagan in the USA, Margaret Thatcher in Britain and by Roger Douglas in New Zealand through the 1984 Labour Government (Harris & Twiname, 1998; Giddens, 1998c).

Hayek was most interested in stimulating interest in liberal public policy. The primary assumption of neo-liberalism is that government must play a minimum role by reducing its responsibilities and people's expectations of government (Gamble, 1996). "Like the civil order, if left to themselves, markets will deliver the greatest good to society. Markets 'are perpetual motion machines, requiring only a legal framework and government non-interference to deliver uninterrupted growth'" (Gray, 1997, cited in Giddens, 1998c, p.12). Based upon his principle of universal order grounded in scientific liberalism, Hayek argued that spontaneous order would result from a hands-off approach by governments in economic and civil affairs. Welfare provisions should be minimal and temporary to prevent growing dependency upon the state (Harris & Twiname, 1998; Gamble, 1996).

Neo-liberalism is founded on conservative social and moral beliefs. Its advocates argue universal rules and conditions bring order to the world, such as the supremacy of market forces to determine prices through free market exchange (Harris & Twinaime, 1998). All forms of socialism and collectivism are seen as countering such a 'natural' process of universal order. Neo-liberal rationalism is based upon the assumption that people cannot comprehend the intricate nature of economic relationships and therefore should leave the economy to its own devices. Further, neo-liberals argue that freely operating 'pure markets' of supply and demand will provide for the needs of civil society, its outcomes are by definition 'just' (Gamble, 1996). Neo-liberalism is also referred to as the Washington Consensus (Harris, 1999), its key elements are further outlined in Table 4:

**Table 4: Neo-liberalism (The new right)**

- Minimal government
  - Autonomous civil society
  - Market fundamentalism
  - Moral authoritarianism, plus strong economic individualism
  - Labour market clears like any other
  - Acceptance of inequality
  - Traditional nationalism
  - Welfare state as safety net
  - Linear modernization
  - Low ecological consciousness
  - Realist theory of international order
  - Belongs to bipolar world
- (Giddens, 1998c, p.8).

Neo-liberals argue individuals have rights which cannot be taken from them, so long as they do not encroach upon the rights of other individuals. According to them, the re-distribution of wealth through taxes and welfare impinges upon individual rights to maximise their increase (Snook, 1989). In this view, welfare perpetuates compliance and dependency (Gamble, 1996). According to Gamble (1996), neo-liberals argue that "what is most urgently needed in most

parts of the world is a thorough sweeping away of the obstacles to free growth” (p. 103), including the reluctance to allow market forces to self-regulate.

Green (1996) of the Institute of Economic Affairs in the United Kingdom argues state intervention in the form of “[w]elfare programmes have tended to impair human character” (p. vii). He argues that people within societies should depend, first upon themselves or their families, secondly on the community (not the state) and lastly on their government. State intervention is viewed as dis-empowering. It diminishes “opportunities for people to be of service to each other, impairing the quality of life and encouraging us to look outwards to ‘the authorities’, instead of inwards to our strengths and skills, for solutions to shared problems” (Green, 1996, p. vii).

Those who support neo-liberalism, generally consider that state control should be limited to the protection of people within territory boundaries and to the control of civil and military force. The concept of justice is limited to equal opportunity not necessarily equal outcomes. Snook argues neo-liberals consider people primarily come together as individuals for the purpose of trade, not as communities (Snook, 1989). Neo-liberal philosophies also support economic liberalisation of the market and a conservative position on social and moral issues (Gamble, 1996).

The concept of civil society is consistent with the neo-liberal argument of minimalist government, to allow the ‘superior’ nature of markets to bring about order (Giddens, 1998c). “The thesis of the minimal state is closely bound up with a distinctive view of civil society as a self-generating mechanism of social solidarity” which “must be allowed to flourish, and will

do so if unhampered by state intervention. ... Like the civil order, if left to themselves markets will deliver the greatest good to society” (Giddens, 1998c, p.p. 11-12).

In the late 1970s, a group of New Zealand based chief executive officers established the New Zealand Business Roundtable (NZBR) with Roger Kerr as its executive director. The NZBR is described as an advocacy agency focused upon building support for neo-liberal principles. Its activities include employment of (neo-liberal) experts to critique government actions and to make recommendations, conducting research, producing publications and generating speeches (Harris & Twinaime, 1998). Dr David Green (1996) was employed by the NZBR to theorise or articulate a rationale for reductions in government spending on welfare, healthcare and education. The NZBR argued through such endeavours New Zealand would become a ‘free society’ where individual responsibility and community support might flourish. The NZBR advocated ‘austere theory’ as an outworking of such principles.

Advocates of austere theory value private enterprise market economy systems where businesses compete within the bounds of the law. They argue such principles satisfy community needs and act for the greater good through the outworking of Adam Smith’s principle of the invisible hand (Kerr, 1996a; Friedman, 1962). Roger Kerr (1996a) took a prominent role in the promulgation of the philosophy in New Zealand. Kerr contended “[b]usiness people promote the general interest more effectively by pursuing their own interests rather than by directly trying to ‘do good’... commerce is a civilising force” (p. 2). He considered that social activities such as training, preservation of the environment and promotion of community causes are not responsibilities, but discretionary activities. Along with Friedman, he views social responsibility as presented within stakeholder theory unethical and contrary to the purpose of business. Maximisation of profit is the primary prerogative of

shareholders. He argued that businesses should concentrate upon generating wealth, and that society should “push the burden of social responsibility back towards individuals” (p. 5). If shareholders seek long term profit they may permit managers to “engage in social activities that they judge will add value to the firm” (p.6); however, as organisations do not have social responsibilities wealth maximisation must be at the heart of their activities (Kerr, 1996a).

After 1984, New Zealand experienced an unprecedented period of economic and social reform. Neo-liberal principles replaced the Keynesian systems (Rasmussen, Boxall, Haworth, Hughes, Powell, Maloney & Wilson, 1995/6). This philosophical shift underpinned the restructuring of the private and public sectors of New Zealand society (Hazeldine, 2003). In the employment arena, the philosophy was manifest in the Employment Contracts Act 1991 (ECA).

### **3.2.1 The Employment Contracts Act: Consistencies with neo-liberalism**

The Employment Contracts Act 1991 (ECA) was devised to restructure labour market policy along neo-liberal ideals of individualism, freedom of choice and deregulation of the market (Wilson, 2001). Advocates argued the ECA would bring about ‘efficiency’ through self-regulation (Rasmussen et al., 1995/96). Trade unions were removed from the bargaining process in order to diminish their power (Wilson, 1997). Individual employment contracts predominated. Negotiation and redress against unfair treatment became an individual responsibility and as a result the ECA tended to favour employees with a higher level of organisational power (Rasmussen, et al, 1995/96).

The ECA was designed to enable employment relationships to be determined by competitive market forces (Rasmussen, et al, 1995/96). Wilson (1997) argues that it was presented as

replacing the Keynesian goal of economic and social fairness in an employment relationship with the neo-liberal preference for not setting pre-determined outcomes. In neo-liberal systems the employment relationship is deemed no different from other private contractual relationships. Wilson (1997) argues that such contracts are based upon the misconception they are negotiated by parties of equal bargaining strength, who freely agree to be bound by the results of their bargaining. However an employment contract is based upon the principle that an employer has the right to control the actions of an employee. Referred to as managerial prerogative, the principle advocates the right of managers to manage; therefore, a power imbalance is a fundamental component of the employment relationship (Wilson, 1997).

The NZBR advocated the adoption of neo-liberal principles, promising improved productivity under the ECA and arguing employers would be able to negotiate more flexible arrangements to improve efficiency. The ECA led to changes in employment relationships including the increased use of outsourcing, franchising and external contracting (Kerr, 1996b). For example, Dyer (1998) argues flexible employment models were used to break internal hierarchical labour markets, to increase management control over workers and to achieve increased competitive advantage. The model separates 'core' workers from 'periphery' workers. Core workers are required to perform tasks in a wider range of areas in order to reduce organisational costs (Dyer, 1998). Core workers were aware that they could be replaced under the terms and conditions of the ECA due to the immediate availability of replacement workers. Such pressure caused core workers to 'accept' reduced working conditions and threatened the otherwise secure nature of core worker employment (Humphries, 1998b). Further examples of flexible employment relations are provided in Chapter Seven. While ostensibly the ECA focused upon freedom of choice, in practice it

allowed the strong to exploit the weak and employers to dictate employment contracts - exacerbated by high unemployment levels (Smithies, 1997).

The philosophical shift towards a market driven economy in New Zealand was driven by politicians, bureaucrats and some members of the business sector, who promoted economic rationalism (Wilson, 1997). Individual employment contracts negotiated at enterprise level were generally preferred by employers. Employers claimed this arrangement enabled negotiation of wages and work practices to be 'sensitive' to both a firm's individual needs and labour market trends (Rasmussen, et al, 1995/96). However, Harris (1997) an economist employed by the New Zealand Council of Trade Unions observed such negotiations increased the gap between segments of the labour market, drove down wages for low skilled workers and widened the range of pay levels across the country. Ironically, while gender pay gaps were sometimes reduced in this era, it was attributed not so much to women gaining better conditions of service, rather to lowering the wages of men as "bad payers pay everyone badly" (p. 112).

During the time the ECA was in force, the NZBR sought further reductions in working conditions by embedding the principles of freedom of contract, the abolition of the Employment Court, removal of trade union official's access to workers in the work place, the abandonment of legally mandated holidays, reduction in occupational health and safety (OSH) regulations, and the abolition of minimum conditions of employment, including minimum wages. They argued that mandated holidays compromised individual choice, that OSH requirements could instead be negotiated directly with employees and that the removal of the minimum wage would allow even greater labour market flexibility (Baird, 1996). Their

arguments were premised on the 'rationale' that wages should be left to find their own level and that a self regulating economy would in time achieve full employment (Smithies, 1997).

Consistent with reforms advocated by the International Monetary Fund and the World Bank, the ECA was designed to facilitate economic reform through neo-liberalist concepts of competitive individualism. However, deregulation of New Zealand's labour markets was controversial. The International Labour Organisation (ILO) of which New Zealand is a member, advocates the social dimensions of tripartism and collective bargaining. It found the ECA was in conflict with the international formula of social justice as it 'allowed', but did not promote or encourage, collective bargaining. Neo-liberal reform in New Zealand was dominated by deep and radical restructuring of the economy and was marked by a lack of general agreement regarding the social dimension (Rasmussen, et al., 1995/96; Harris, & Eichbaum, 1999).

### **3.3 THE THIRD WAY**

Initially economic rationalist political and business leaders were unrestrained in their enthusiasm for neo-liberalism. However, it became apparent that neo-liberal policies were not creating the type of economic and social environments its proponents envisioned. In 1999 the World Bank Vice-President and Chief Economist Joseph Stiglitz (1999) proposed neo-liberalism had "been largely discredited" (p. 7). Perkin (1996) focuses upon limitations in neo-liberalism and its unregulated free market suggesting "many people in business, politics, and academe are becoming disillusioned with its failure to deliver on its promises" (p. 209). Economic growth, for example, slowed during the 1980s and early 1990s in comparison to Keynesianism's heights during 1946-73. Subsequently economists revisited Keynesian principles of regulated markets in order to redress the extremes of capitalism under neo-

liberalism (Perkin, 1996). In anticipation of a collapse in the neo-liberal paradigm Giddens, British sociologist and director of the London School of Economics, encouraged consideration of alternative government practices and their potential impact upon social democracy. Giddens (1998b; 1995) contributed to the formation of a philosophy entitled The Third Way (Clark, 1998).

In February 1995, Giddens (1995) argued that Keynesian left and neo-liberal right divisions provided inadequate frameworks for the global economy and society. Giddens developed a framework with which he sought to contrast the two philosophies, and to identify qualities that might contribute to an alternative 'Third Way' upon which to move forward. He suggested that Great Britain's 'New Labour' party could not return to traditional socialist methodologies, but should redefine itself and seek a new political philosophy – 'The Third Way'. Giddens proposed a radical break away from both left and right philosophies in order to more closely address Labour policy and international requirements. This proposition was taken up by British Labour leader Tony Blair in 1995 who announced that his party would pursue the values of social justice, solidarity, partnership, democracy and social responsibility (Giddens, 1995). Other key players in the global economy adopted Third Way philosophies around the turn of the century. They include United States of America, Holland, Sweden, France and the Labour Party in New Zealand. Its finer points are interpreted differently in each case (Clark, 2002).

Giddens (1997) suggested The Third Way could form the beginning of a new international political framework and praised the beginnings which Great Britain's 'New Labour' government had made. The centre-left project, as it was called, advocated a culture of stakeholding (an extension of the stakeholder model as outlined in Chapter Two), through

attention to long term outcomes in relation to labour markets, industry and government and through government and industry investment in human and social capital. Giddens proposed an emphasis on the traditional family, moral education and the need to more fully address cultural diversity inherent in globalisation. He encouraged ongoing debate regarding the nature, values, and goals of The Third Way (Giddens, 1997, p.p.37-39). By the end of 1998 Giddens put forward a tentative definition of the term 'The Third Way':

I shall take it 'third way' refers to a framework of thinking and policy-making that seeks to adapt social democracy to a world which has changed fundamentally over the past two or three decades. It is a third way in the sense that it is an attempt to transcend both old-style social democracy and neo-liberalism (Giddens, 1998c, p.26).

In the late 1990s the United Kingdom's Prime Minister Tony Blair sought to establish international consensus regarding The Third Way for the next century. Blair called for international debate to develop an alternative framework to the socialist principles of Keynesianism and the individualistic principles of neo-liberalism. Giddens (1998a) identifies the following five key areas that he felt need to be addressed in order to move forward.

- Social democracy
- Economic policy
- State and government involvement
- Role of nations
- Welfare state

*Social democracy* according to Giddens (1998a) is class-based politics for the left and the conservative philosophy of neo-liberalism serves the interests of the right. Giddens advocated such frameworks were rendered inadequate through changes in globalisation, cultural diversity, society and technology. The Third Way philosophy rejects class politics and accepts

the “socialist value of social justice...” it maintains “individual freedom depends on collective resources and implies social justice” (p. 18).

The *economic policy* of privatisation and deregulation has been largely accepted by both the left and the right. Giddens advocates such policies do not deliver freedom as anticipated. He proposes instead a new mixed economy which seeks a balance between regulation and deregulation, between economic and non-economic issues within society and economic development judged in relation to its social consequences - with a view to governments creating a stakeholding business culture through incentives and controls regulating at national and transitional levels.

Generally those that hold the socialist left perspective favour enhanced *state and government involvement*, whereas those on the right who hold the neo-liberal perspective favour minimal state and government intervention. Giddens (1998a) argues liberal democracy is not adequately democratic, in order to regain “trust and legitimacy” reforms are therefore required to “define a new democratic state” (p. 19). He suggests power under such a regime might be both sensitive to the nuances of localities and regions and also to transitional agencies facilitating globalisation and world government. Transparency of operation in public domains and enhanced participation by citizens through ‘democratic’ means would be fundamental, as would government involvement in the regeneration of civil society (Giddens, 1998a).

The Third Way will seek a new *role for nations* due to globalisation and the absence of war. Giddens argues that the neo-liberal ‘pure market’ concept is not sustainable under globalisation. Nations will become more cosmopolitan and borders less clearly defined. National identities will be maintained through means other than war, as was the case in the

past. Identities will be more open and expansive, due to their complex natures and overlapping loyalties (Giddens, 1998a).

The *welfare state* is viewed as highly desirable by those of the left and as the enemy of enterprise by those of the right. Giddens proposes revision of the welfare state in order to allow it to 'more fully respond' to current social issues through philanthropy, where individuals and agencies other than the state provide funds for social welfare. He argues such a system would facilitate the development of "a new relationship between risk and security on the one hand and individual and collective responsibility on the other" (Giddens, 1998a, p.21).

Giddens presents Third Way concepts of a new mixed economy, where "Government can act in partnership with agencies in civil society to foster community renewal and development. The economic basis of such partnership is what I shall call the new mixed economy" (Giddens, 1998, p.69). The new mixed economy is designed to cushion the impact of globalisation, technological and contemporary social changes upon nations through government intervention (Giddens, 1998c).

Overall, due to global changes and the limitations of both Keynesianism and neo-liberalism, new and innovative economic approaches have been sought. My evaluation of Giddens' perspectives is varied. I am comfortable with an understanding of social democracy which values collective resources and individual freedoms recognised through economic policies that provide for government support of business. I am less comfortable with Giddens' advocacy that nations move welfare toward the neo-liberal model of philanthropy, reducing governmental social welfare devolving it to a community responsibility. I am not as accepting

as Giddens appears to be of globalisation and the prospect of world government. In addition I do not see an absence of war, even though the concept is desirable. However, The Third Way appears to offer encouraging alternatives to the neo-liberal model. The Third Way may be more sensitive to specific regional requirements and objectives and through that sensitivity provide the possibility of assisting participating societies.

The New Zealand Labour Party (NZLP) considered The Third Way's potential to address our economic and social needs, present and future (Clark, 1998). It acknowledges social and economic changes, which necessitate new governmental approaches.

In the thirties, and for decades after, governments seemed more in charge of their nation's destinies. They applied remedies which could not be applied today. They built industries behind walls of protection. They knew that both their people and capital were relatively immobile. Life was simpler. That world no longer exists. Both capital and skilled labour are highly mobile. The walls around national economies are crumbling. Globalisation, internationalisation is all around us... It's that changing role of government which parties like ours [the New Zealand Labour] have picked up as the third way, as we seek a new synthesis between market and society... (Clark, 1998, p.p. 4-5).

According to Helen Clark, New Zealand's Prime Minister, the NZLP works to implement a reform agenda to promote public interest over private interest in a fashion consistent with Third Way philosophy (Clark, 1998). The NZLP embraces the potential of Third Way policies, in pursuit of a new mixed economy. It endorses reforms which create wealth through investment in people and their communities, government regulation of markets to limit self interest and inefficiencies, and investment in social services such as education (Campbell, 1998).

In 1999 the NZLP, led by Helen Clark, formed a coalition government. Although neo-liberal policies were first implemented in New Zealand under a Labour government they are not the

policies of the current NZLP<sup>6</sup>, which describes itself as a centre-left government that has taken Third Way approaches (Clark, 2002). According to McQueen (2003) however, the NZLP does not consistently acknowledge its Third Way policy. Margaret Wilson (now the Speaker in New Zealand's Houses of Parliament) in fact argued that "in establishing a new law, the Government was not adopting an ideological position" (Wilson, 2001, p.1). Despite differences of opinion as to the extent to which The Third Way has been taken up as a basis for law and policy in New Zealand it provides a useful lens through which to view recent legislative changes in New Zealand.

The NZLP acknowledges consideration of The Third Way as an instrument in its reform agenda. It considers Third Way philosophies are compatible with its own. From the research presented here, the NZLP appears to hold a more left wing view of social policy than New Labour in the U.K. It could therefore be argued the U.K. Labour Government leans further toward the right than its New Zealand counterpart (Bale, 2003), illustrating the variance in application of Third Way policy.

### **3.3.1 The Employment Relations Act and The Third Way**

The NZLP minority centre left coalition government came into power in 1999. The Employment Relations Act 2000 (ERA) was introduced the following year. It was reviewed in 2002 and 2003. Identified modifications became law in 2004. Hughes (2004) reports that the New Zealand National Party, the Employers' and Manufacturers' Association, and the New Zealand Business Roundtable, expressed their concerns regarding the ERA in its early stages of development and implementation. Hughes reports they are now largely comfortable with its application.

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<sup>6</sup> Kelsey (1997) provides a more complete explanation of contextual issues and pressures at that time from bodies such as Treasury and those now involved in the NZBR.

The ERA is designed to recognise both the human and the economic nature of employment relationships. It moved New Zealand's employment law away from the 'contractual' relationships of the ECA and instead focuses upon cooperative, inclusive, principles of employment relations through the building of good faith, mutual trust and confidence (Wilson, 2001). The ERA provides for diversity and flexibility within employment relationships. Its advocates strive to increase New Zealand's productivity through enhanced cooperation, collectivism, and workplace relationships (Skiffington, 2001).

The ERA sanctions trade union membership (Wilson, 2001) and actively promotes collective bargaining. It recognises diversity in employment relationships and promotes employee choice including between collective or individual employment relationships. Mediation is offered through the Employment Relations Authority (replacing the Employment Tribunal of the ERA) which seeks to provide timely, resolutions that are acceptable to all parties. Higher employment courts are also available. Overall the ERA recognises the inherent fundamental power imbalance within employment relationships (Skiffington, 2001). It seeks to provide a level of protection to employees and to redress the imbalances found in the ECA by the ILO.

Compatible relationships between stakeholder groups are seen as vital for the long term financial, social, and environmental success of organisations; concepts which are consistent with the aims of The Third Way. The New Zealand Labour led coalition government initiated the ERA through co-operative enquiry (Skiffington, 2001), consistent with many of the principles of The Third Way and in recognition of the human and economic components of the employment relationship. The Act is founded upon the principle of 'good faith' and can into law through co-operative negotiations modelling its principles.

### 3.4 CHAPTER SUMMARY

Those who advocate Third Way philosophies for New Zealand seek to recognise and redress the imbalances of power implicit in capitalist systems, by providing an alternative framework which attempts to blend ideas from Keynesianism and neo-liberalism. Its supporters hope it will form the beginning of a new international political framework to promote a culture of stakeholding, recognising a responsibility to communities, businesses and nations. Advocates of The Third Way seek partnerships between government and groups within societies, in pursuit of social democracy and economic success. One might view The Third Way as a 'visible hand' approach to government – a term I have coined in response to Adam Smith's neo-liberal 'invisible hand' approach. Differences exist across nations regarding the detail of Third Way policies and where they might deem an 'appropriate' balance between regulation and deregulation.

The move in New Zealand from the predominance of Keynesian economic policies to a radical and rapid commitment to neo-liberalism was supported in the employment context by the ECA. The associated economic disappointment and social hardship that accompanied that change in direction became politically unsustainable for the Labour Government in New Zealand. The nature of workplace relationships created in this environment are a significant factor in the transformational research process I undertook in my fieldwork. The values expressed in The Third Way, the overt recognition of plural and sometimes conflicting interests, encourages my commitment to relationships of integrity to be negotiated openly in the way Habermas advocates - a dialogue process through which human beings co-create their realities. It is under such circumstances that the hegemonic effects of a false doctrine of unitarism can be transformed to fairness in the face of power differentials and the real

constraints on peoples' freedom. In order that such dialogue is not founded on hegemonic influences I advocate for a wide reaching and alert interest in the insights of Critical Theorists. In the next chapter I discuss the critical theory tradition upon which I build my thesis.

#### **4 THE CRITICAL THEORY TRADITION UPON WHICH I BUILD**

In keeping with the transformational aspirations of critical theorists, and in conjunction with my aspirations to contribute through my research to enhanced well-being in employment, I focus on the (mis)use of power in organisations. In this chapter I explain why Habermas's critical perspectives have relevance and value in the context of organisation research, and I outline specific implications of my adopting a Habermasian perspective for emancipatory participatory action research. Concepts through which I have generated the insights of this thesis include those associated with 'the lifeworld', 'communicative action', 'the system', and 'instrumental action'. I identify some of the criticisms directed at Habermas's work regarding its at times vague, idealist, and non-specific elements.

Alvesson & Deetz (2000), Deetz (1992), Deetz, Grim & Lyon (2003) are among a growing group of critical organisational theorists who also find the work of Habermas illuminating. These researchers are investigating relationships between purportedly 'participatory employment practices' and the exploitative effects that arise when capitalist processes are (mis)represented as a unitarist discourse. These theorists engage in such investigation and exposure in order to further their emancipatory objectives. In associating myself with this tradition, I draw together a social constructivist position, with the transformational values of critical theorists.

I begin this chapter by drawing on the work of earlier theorists who, in the traditions of critical theory, sought to expose the misuse of power in their search for enduring justice. From this review of the historical development of the concepts that inform my analysis, I continue the chapter with a discussion of the work by contemporary authors who express a

commitment to employee emancipation and are therefore central to my concern with employee well-being in the workplace.

#### **4.1 SHARED ASSUMPTIONS OF THE CRITICAL THEORY TRADITION**

Couzens, Hoy and McCarthy (1995) propose that there are many perspectives that collectively make-up contemporary critical theory. Theorists committed to this tradition are concerned with the exposure of patterns of domination and oppression (Alvesson & Deetz, 2000). Critical theorists generally subscribe to the notion that human beings participate in the creation and transformation of their environment(s). They are aware, however, of potential for misuse of power in interpersonal relationships. Prasad and Caproni (1997) and Sotiros (1993) suggest that powerful people are able to influence the generalised understanding of what is to be considered ‘true’ and ‘good’, even by many of those who are disadvantaged by that understanding. Critical theorists explain this phenomenon through their use of the concept of ‘hegemony’<sup>7</sup>.

Through the Frankfurt School of Social Research, critical theory has come to be incorporated in a wide range of theoretical approaches (Alvesson & Deetz, 2000). From this school of thought comes the encouragement and mandate to examine the extent to which structures and processes of society may or may not serve the needs of all people, or reconstruct forms of social reality that serve the interests of the privileged. The tasks involved in this mandate are not just suggested for theoretical sophistication. Rather, those who become involved in them engage in a dialogue “of social transformation and emancipation that does not cling dogmatically to its [their] own doctrinal assumptions” (Giroux 1983, p.8). Such approaches seek to contribute to change towards a more inclusive and thus ‘just’ society.

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<sup>7</sup> The term hegemony describes domination of others by winning their consent through political and ideological means.

Critical theorists typically study the application of theory to human life including the embeddedness of their own approaches to theorising (Couzens Hoy & McCarthy, 1995, p.15). They generally investigate systemic processes of oppression, including those processes associated with exploitation, repression, imbalance of power, and the purported phenomena that they have labelled as ‘false’ and ‘fragmented’ consciousness. Critical theorists suggest that the understanding of ‘order’ in capitalist societies, without explicit consideration of the exploitative impulses of that system is a form of ‘false consciousness’. Emile Durkheim assumed that social order is maintained within industrial societies through the division of labour and specialisation, a process he argues also increases interdependence. That this ‘order’ might be an expression of exploitation became the focus of critical theorists (Habermas, 1971; Brand, 1990).

I am particularly interested in discussions concerning power relations that impact upon levels of [potentially] false and/or fragmented consciousness within workplace settings. To this end I continue, in the next section of this chapter, to trace the development of Habermas’s concepts by articulating links between his work and the work of those to whom he referred.

## **4.2 ANTECEDENTS OF HABERMASIAN CRITICAL THEORY**

The combined works of Karl Marx offers an early example of ideological critique of the workplace. He argues that under capitalism, labour is vulnerable to the exploitative tendencies of the capitalist system. Marx also sought to illustrate that work is a fundamental component of human life, or of ‘the lifeworld’ as Habermas later describes it. Habermas develops Marx’s concepts through his understandings of the ever greater encroachment of the lifeworld by the instrumental logic of capitalist enterprise. He names this encroachment as a form of

colonisation. Not content to leave his work at the level of analysis, Habermas seeks to effect change. For him, change was to be achieved through communicative action (Habermas, 1971) action that invigorates and enhances the lifeworld.

Habermas attempts to address false consciousness, sometimes embedded in historical knowledge, through consideration of consciousness-raising as discussed by Hegel, Marx, Durkheim, and Horkheimer. Historical knowledge (when unproblematically integrated into common sense) contributes to “a complex web of conceptual and material arrangements producing the very fabric of everyday life” (Alvesson & Deetz, 2000, p.87). Attempts to articulate these processes are found in the works of key theorists who were concerned with the critique of western industrialisation. I review aspects of that history pertinent to my analysis in the work of Hegel, Marx, Durheim and Horkheimer.

#### **4.2.1 Georg Hegel (1770-1831)**

Georg Hegel exposed the crucial influence of false consciousness and hegemony in the achievement and maintenance of oppression embedded within society’s superstructure, culture, and people’s self-image. ‘Unmasking’ false consciousness became a prerequisite to the achievement of freedom. Hegel’s critique of Emanuel Kant’s reasoning challenged ‘scientific’ principles of philosophy. He argued that Kant had overlooked the presuppositions inherent in the positivistic approaches to knowledge that predominated in his era, and by so doing incorrectly presupposed mathematical and contemporary physics were valid as a general rule of reliable knowledge (Habermas, 1971, p.14).

In his reflections regarding what is to count as knowledge, Hegel offers some useful tools to researchers. Absolute knowledge had previously been presented as free from pre-

suppositions. The very concept of ‘absolute knowledge’ is now acknowledged as an illusive state. Knowledge only appears to be free from pre-suppositions. It is in the exposure of embedded and naturalized suppositions that understanding can be enhanced. Critical theorists are encouraged to include our own theories regarding knowledge in our considerations (Habermas, 1971). We cannot pre-suppose that situations are free from external influences, we must search for new standards of knowledge at every stage of enquiry in the pursuit of “attain[ment of] pure knowledge through the experience of reflection” (Habermas, 1971, p.22)<sup>8</sup>.

Hegel criticizes the lack of epistemological acknowledgement of the presuppositions of any theory. He demands that all epistemologies be critiqued in accordance with a strategy of unconditional doubt. Hegel offered phenomenological experience (self-criticism/ self-reflection) as a critique of knowledge, and in so doing sought to disperse the normative conceptions of science and the ego. Hegel’s concept of phenomenological experience offers no absolute fixed points, but instead offers critical consciousness as a vehicle to move through systematic repetitions of self-reflection (Habermas, 1971).

Habermas (1971) endorses Hegel’s criticisms of unacknowledged presuppositions within epistemologies. He also notes gaps in Hegel’s theory of knowledge that have not withstood positivist criticism. In Habermas’s view, Hegel subscribed to the strategy of unconditional doubt while asserting “the fear of erring is error itself” (Habermas, 1971, p.9). Habermas concludes that Hegel reduced his own intrinsic critique to conceptual negation. Where Hegel proposes a position of mistrust as the solution to distortions in knowledge, Habermas

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<sup>8</sup> I interpret Habermas’s understanding of ‘pure knowledge’ along the lines that I understand he considers ‘the ideal speech situation’, an ideal to be sought (Habermas, 2001:97, [1984]). Therefore, in place of ‘pure knowledge’, I think ‘most pure’.

proposes a level of trust founded upon principles of communicative action - a discussion of which can be seen in section 4.3 of this chapter.

#### 4.2.2 Karl Marx (1818-1883)

Karl Marx (1962 [1890] & (1845) focuses upon capitalist employment practices. Unlike Durkheim's belief in the generation of interdependence generated through the division of labour associated with specialisation, Marx views this process, in a capitalist context, as effecting economic exploitation often disguised and presented as legitimate (Alvesson & Deetz, 2000, p.83) and thus as a form of false consciousness. In both *Encyclopedia* and *Phenomenology* Marx critiques Hegel's argument that the mind is "the Idea existing for itself". Marx himself argues that nature is "the absolute ground of mind" (Habermas, 1971, p.25). Marx bases his argument in naturalistic ideas proposing that the mind cannot function outside of nature, it cannot exist for itself. Marx's naturalistic ideas view activity such as labour idealistically, considering it "sensuous human activity, as practice [praxis]" (Habermas, 1971, p.27).

We have to consider labour in a form peculiar to the human species... The labour process ends in the creation of something which, when the process began, already existed in the worker's imagination, already existed in an ideal form. What happens is not merely that the worker brings about a change of form in natural objects; at the same time, in the nature that exists apart from himself, he realises his own purpose, the purpose which gives the law to his activities, the purpose to which he has to subordinate his own will. Nor is this subordination a momentary act. Apart from the exertion of his bodily organs, his purposive will, manifesting itself as attention, must be operative throughout the whole duration of the labour. Nay more. The less attractive he finds the work in itself, the less congenial the method of work, the less he enjoys it as something which gives scope to his bodily and mental powers- the more closely must he devote his attention to his task (Marx, 1962, p.p.169-170 [1890]).

Marx views labour processes as objective activities. He saw the process of material exchange as based upon social labour, physical nature and environmental constants. To 'labour', or to 'work', is both a part of human life and a requirement of it. Through the labour process,

people work with nature and (at times) overcome it. “The category of man as a tool-making animal signifies a schema both of action and of apprehending the world” (Habermas, 1971, p.28). The labour process illustrates people’s connections with nature. Through our labour we simultaneously bring about change in ourselves and in the world (Marx, 1962 [1890]).

Habermas (1971) however, argues nature cannot be satisfied in industry.

[The] resurrection of nature cannot be logically conceived within materialism, no matter how much the early Marx and the speculative minds in the Marxist tradition (Walter Benjamin, Ernst Bloch, Herbert Marcuse, Theodor W. Adorno) find themselves attracted by this heritage of mysticism... The unity of the social subject and nature that comes into being “in industry” cannot eradicate the autonomy of nature and the remainder of complete otherness that is lodged in its facticity (Habermas, 1971, p.p.32-33, emphasis in original).

In summary, Marx recognises that we are connected with nature through work. Habermas suggests work cannot connect us with nature as materialism tends to supersede. I suggest that Habermas seeks to explain such phenomenon through his concepts the lifeworld and the system that the unity of people with nature and the existence of nature within industry might be better understood and developed. He also considered Durkheim’s work.

#### **4.2.3 Emile Durkheim (1858-1917)**

Emile Durkheim, considered a founding father of modern sociology (Abercrombie, Hill, and Turner, 2000), opposed the predominant unitarist, utilitarian, tradition held in Britain at the time of his writing (Habermas, 1989). In his first major work ‘The Division of Labour in Society’, Durkheim (1960 [1893]) argues that attempts to integrate societies through contractual agreements between individuals driven by self-interest can only lead to social instability. In contrast to Marx, Durkheim (1960 [1893]) advocates the division of labour through specialisation as an extension of his understanding of evolution. He considers the division of labour holds economic and social advantages and advocates a level of force to

achieve compliance with the collective conscience to assure the perceived ‘unity’ derived from it<sup>9</sup>.

The totality of beliefs and sentiments common to average citizens of the same society forms a determinate system which has its own life; one may call it the *collective* or *common conscience* [the lifeworld (Habermas, 1989, p.133)]. No doubt, it has not a specific organ as a substratum; it is by definition, diffuse in every reach of society. Never the less, it has specific characteristics which make it a distinct reality. It is, in effect, independent of the particular conditions in which individuals are placed; they pass on and it remains. It is the same in the North and in the South, in great cities and in small, in different professions. Moreover, it does not change with each generation, but on the contrary, it connects successive generations with one another. It is, thus, an entirely different thing from particular consciences, although it can be realized only through them. It is the psychical type of society, a type which has its properties, its conditions of existence, its mode of development, just as individual types, although in a different way. Thus understood, it has the right to be denoted by as special word (Durkheim, 1893, p.p.79-80 [1893], emphasis in original).

Durkheim suggests that a new form of social order would develop in advanced societies through ‘organic solidarity’, as an evolutionary unfolding of the mechanical solidarity he associates with early industrial organisation. Organic solidarity of networks between occupational associations would link people to each other and to the state. Through such networks people would gain economic interdependence and, as Durkheim suggests, collective moral restraints on self-interests would emerge. In practice, however, the division of labour does not always achieve organic solidarity as Durkheim anticipated. According to Habermas (1989) the division of labour has a dysfunctional character that Durkheim was not able to resolve.

Habermas (1989, p. 116) notes a paradox in Durkheim’s evolutionary understanding of the division of labour. If it is to be considered a component of perpetual improvement (evolution) why does it bring conflict between capital and labour? Durkheim’s analysis of the sometimes “dysfunctional” (p.117) nature of the division of labour moved Habermas to focus upon

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<sup>9</sup> “Accordingly, although we may not yet be in position to resolve the question rigorously, we can, however, imply from it now that, if such is really the function of the division of labor, it must have a moral character, for the need of order, harmony, and social solidarity is generally considered moral” (Durkheim, 1893, p.63 [1893]).

differentiations of the division of labour through its systematic and social integrations.

Habermas attributed the dysfunctional nature of the division of labour to tensions between participants' lifeworlds and the systems in which they engage. Habermas's reflections upon Durkheim's questioning, and Durkheim's understanding of the '*collective or common conscience*' contributed to the development of Habermas's concepts of the system and the lifeworld.

#### 4.2.4 Max Horkheimer (1895-1973)

Horkheimer was concerned with the domination of nature, individuals, and societies (1978 [1941]). Along with Hegel and others associated with the Frankfurt School<sup>10</sup> he disagrees with Durkheim's application of 'scientific' research principles in social research. These scholars argue that scientific research principles are not fundamentally neutral as is often claimed by empiricists but that they have embedded in them power relations that have been 'naturalised' to the point of general invisibility.

Horkheimer proposes that social researchers alert themselves to the potential of inadvertently employing oppressive means when engaging in social research through using natural science principles that claim neutrality. He urged researchers to analyse models generated from scientific principles of production which may serve particular interests (Couzens Hoy & McCarthy, 1995).

Horkheimer did not reject scientific principles as such, but challenged their unquestioned application as though they were based upon an unquestionable foundation of knowledge and appropriate for use in all situations. He endorses contemporary analysis of the usefulness and

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<sup>10</sup> The Frankfurt School was a group of influential social scientists whose research initially focused upon contemporary Marxism and included capitalism, economism, positivism, Freudian and societies.

application of research toward a 'better society'. Horkheimer contributed to the repositioning of scientific principles and further opened the arena to recognise other perspectives of 'knowledge' (Couzens Hoy & McCarthy, 1995).

#### **4.2.5 Section summary**

Critical theorists focus their attention on unmasking and disempowering concepts and processes that might be instrumental in bringing about injustice and oppression. Habermas, often associated with the work of the Frankfurt School builds upon the work of Hegel, Marx, Durkheim, Horkheimer, and Kant. His consideration of the lifeworld, and the system, through dialogue are influenced by the attention he has given to aspects of the works of his predecessors. To "marvel at how historically stamped we are" (Scully, 1998, p. 751), and in acknowledgement of the impact of historical works upon critical theory discourses, I have elected to honour and integrate aspects of this history of ideas into my own work. This history has generated the context through which contemporary discourses are developing. It is a history that has generated the foundations for my work – a work of interpretation and application of concern with human well-being and justice in employment. In the next section of this chapter I develop my discussion of critical theory, focusing more specifically upon the work of Habermas.

### **4.3 HABERMAS'S THEORETICAL FOCUS**

Habermas's (2001 [1984]) provides a framework through which I was able to examine and discuss interpersonal power relationships that I observed in my fieldwork. He offers a provisional, theoretically plausible, conceptual strategy that might be employed to develop practical explanations and potential ways to contribute to emancipatory change. He "introduces an affirmative agenda, not based on a Utopia, but still a hope of how we might

reform institutions along the lines of morally driven discourse in situations approximating the ideal speech situation” (Alvesson & Deetz, 2000, p.90).

Habermas posits the frameworks of technical reason and practical reason as instruments through which interactions might be better understood. He is concerned about the impact of the (economic market) system as driven through instrumental/technical reasoning and the colonising effects of such instrumentality on the lifeworld. He developed the concepts of “the system” and “lifeworld” as two forms of reasoning that in a balanced system could become natural complements. His work offers useful frame through which systems of power within societies and within workplace settings might be examined (Alvesson & Deetz, 2000, p.86).

Habermas proposes

that we conceive of societies simultaneously as systems and lifeworlds. This concept proves itself in a theory of social evolution that separates the rationalization of the lifeworld from the growing complexity of societal systems so as to make the connection Durkheim envisaged between forms of social integration and stages of system differentiation tangible, that is, susceptible to empirical analysis (p. 118)... I want to build upon these concepts so far as they have already been analysed, and take up the question of how the lifeworld - as the horizon within which communicative actions are “always already” moving - is in turn limited and changed by the structural transformation of society as a whole (p. 119)... Situations do not get “defined” in the sense of being sharply delimited. They always have a horizon that shifts with the theme. A *situation* is a segment of *lifeworld contexts of relevance* [*Verweisungszusammenhänge*] that is thrown into relief by themes and articulated through goals and plans of action (Habermas, 1989, p. 122, emphasis in original).

Habermas posited that language is a means of achieving shared understanding. He studied the use of language and recognised the range of potential effects that may emerge. More specifically, in aspects of his work, Habermas concerned himself with communicative concepts of and between 'the system' and 'the lifeworld'. He separates them in order to facilitate their description and our understanding. Their elements, however, appear to be in a constant state of realignment and repositioning on ever changing communicative horizons.

There are similarities between empirical science methods that Habermas linked to the system, and the conduct of life that Habermas linked to the lifeworld. Both (1) are based upon systems of action; (2) are based upon routines of interaction, although one is driven by nature, and the other by external bodies; (3) seek to remove doubt and establish behaviour; and (4) are governed by thinking in their specific contexts. The primary differences between the methods implemented toward the system and the lifeworld is that they are grounded in different philosophies (Habermas, 2001, p.175 [1984]). The system is grounded in principles focusing upon predefined individualistic objectives through instrumental action; the lifeworld is grounded in principles focusing upon shared understanding, and interpretive activities of everyday life through communicative action. In the next sections I present more detailed analysis of the system as implemented through instrumental action and the lifeworld as nourished through communicative action.

#### 4.3.1 The Lifeworld

The spatial dimension of the life-world is determined by the “fact of human plurality”: every interaction unifies the multiple perspectives of perception and action of those present, who as individuals occupy an inconvertible standpoint... Finally, the life-world itself is filled, so to speak, with praxis, with the “web of human relationships”. This comprises the stories in which actors are involved as doers and sufferers (Habermas, 1977, p. 8).

Habermas (1989) developed Durkheim’s analysis of the *conscience collective* (the interrelations of culture, society, and personality) by denoting it as ‘the lifeworld’. He considers Durkheim’s analysis explains how “the lifeworld loses its prejudgmental power over everyday communicative practice to the degree that actors owe their mutual understanding to *their own* interpretative performances” (p. 133). Habermas (1989, p.142) seeks to contribute to the enhancement of the lifeworld through enhanced understanding of its patterns. He views the lifeworld of human relations as ‘rational’ as they are guided and

generated through communication centred on ethical (non-exploitative) understanding.

Developed over time, constantly tested and changed without force, the lifeworld is individual to each groups' interpretation of its nature.

The lifeworld provides a context of relevance within which communicative actions (and actors) are “always already” situated. As such, it always remains in the background, standing “at the backs” of participants in communication, as it were. It cannot be transcended: Speakers and actors cannot act by placing themselves outside of it. It has, on the contrary, a transcendental character insofar as it functions itself as a condition of possibility for communicative action. In this sense, it functions as a background of mutual intelligibility. Intersubjectively shared, it makes possible the smooth functioning of everyday communicative action. In general, speakers do not have explicit but only tacit knowledge of it; nonetheless, the lifeworld provides communicative actors with a shared stock of taken-for-granted interpretations on which they can draw in trying to understand others. In discourse, elements of this implicit knowledge can be rendered explicit in order to redeem validity claims that have been challenged. ... Thus we can see that he [Habermas] early on conceived communicative action and lifeworld a complementary (Fultner, in Habermas, 2001, p.xvi [1984], emphasis in original).

Habermas comprehends the lifeworld as a system of symbolic forms based upon experiences and traditions bound in culture. The specific nature of the lifeworld is established through dialogue<sup>11</sup> achieved through consensus and without force (2001, [1984]). The lifeworld is an intangible, at times fragile thing. Its character is deeply imbedded in communicative action, through which people test and modify the principles upon which they establish it (Brand, 1990). Habermas proposes a communicative theory of society based upon trust, while at the same time recognising the capacity for such trust to be in error, potentially resulting in false consciousness. The basis of trust should therefore be constantly tested and or examined in order to guard against false consciousness (2001 [1984]).

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<sup>11</sup> Communicative action (Habermas, 1977)

### 4.3.2 Communicative action

I call interactions *communicative* when the participants coordinate their plans of action consensually, with the agreement reached at any point being evaluated in terms of the intersubjective recognition of validity claims. In cases where agreement is reached through explicit linguistic processes, the actors make three different claims to validity in their speech acts as they come to an agreement with one another about something. Those claims are claims to truth, claims to rightness, and claims to truthfulness (Habermas, 1990, p.58, emphasis in original).

Communicative action is achieved through sincere ongoing verbal and non-verbal (symbolic) communications. “It is governed by binding norms that define reciprocal expectations about behaviour that must be understood and acknowledged or recognized by at least two acting subjects” (Habermas, 2001, p.12 [1984]). Its focus is upon achieving mutual understanding, and consensus, through trust and honest dialogue (Habermas, 2001 [1984]).

Habermas encourages us to find opportunities to change society by seeking out the contradictions and gaps in systems of thought and pushing contradictions through communicative action to the point where something new emerges (Brand, 1990). As such, language is credited by Habermas with more than a cognitive function. He proposes that through language people also serve the objective world (existing external circumstances), social world (lawfully regulated interpersonal relations), and subjective world (one’s own experiences) in different ways over time (Brand, 1990).

Habermas (1989) therefore suggests, that when all participants freely express their views we might arrive at a fixed point, even just for a moment, where we might legitimately make claim to honest agreement through communicative action (1989). He termed this concept “the ideal speech situation” (Habermas, 2001). As such, knowledge and reason are seen as dependent upon the quality of subject-subject relations (Brand, 1990). Through communicative theory

we seek “undistorted communication, free discussion based upon goodwill, argumentation and dialogue” (Alvesson & Deetz, 2000, p90). Habermas (2001) argues that when we engage in communication aimed at shared agreement, we seek to achieve the ideal use of language. Habermas argues that

what explains it is that the participants in argumentation mutually *presuppose* something like an ideal speech situation. The defining feature of the ideal speech situation is that any consensus attainable under its conditions can count per se as a rational consensus. My thesis is that only the *anticipation [Vorgriff] of an ideal speech situation* warrants attaching to any consensus that is in fact attained the claim that it is a rational consensus. At the same time, this anticipation is a critical standard that can also be used to call into question any factually attained consensus and to examine whether it is a sufficient indicator of real mutual understanding (Habermas, 2001, p.97, [1984], emphasis in original).

Habermas seeks the ideal founded upon mutual presupposition of the possibility of its achievement, while simultaneously holding to Hegel’s concept of phenomenological experience of no absolute fixed points of truth where one must mistrust even one’s own mistrust. Further, Habermas submits that consensus at one point in time does not predict that such an agreement would stand over time and space. He suggests that it may be better to view such consensus “as an indicator of reliability in beliefs” (Braaten, 1991, p.25). The ideal speech situation is one where a balanced range of opportunities to participate is available to all (Brand, 1990) who wish to understand and to be understood (Alvesson & Deetz, 2000). The focus is more upon rational communicative interaction, rather than on consensus per se (Alvesson & Deetz, 2000, p.91).

Actors never have their action situation totally under control. They control neither the possibilities for mutual understanding and conflict, nor the consequences and side effects of their actions; they are, to borrow a phrase from W. Schapp, “entangled” in their (hi)stories. A given setting presents a situation in which they orient themselves and which they seek to master, according to their insights and opinions (Habermas 1989, p.149).

Habermas is interested in collective learning processes through communication and their potential to lead to ‘ethical progress’ although he does not regard it as inevitable nor unstoppable as did some of his predecessors (Brand, 1990). Through his studies of social and historical development of reason (Alvesson & Deetz, 2000), Habermas offers concepts with which to understand human interactions (2001 [1984], 1989, 1988 [1967], 1971 [1965]). His

questioning includes close examination of the meaning of meaning communicated between people (Habermas, 2001 [1984]).

Habermas (1971 [1965]) narrowed his considerations of meaning by focusing upon hermeneutic understanding, which, in turn, concentrates upon traditional, natural, and symbolic contexts of life experience and meaning. “Hermeneutics is both a form of experience and grammatical analysis at the same time. ... Hermeneutic understanding takes as its object three classes of life expressions: linguistic expressions, actions, and experiential expressions” (Habermas, 1971, p.p.162-3 [1965]).

*Linguistic expression* is not immediately clearly understood by the parties in communication. It represents the place between life context and linguistic purpose. Hermeneutic science adds another dimension to linguistic expression recognising hidden meanings, assumptions, and experiences that require interpretation. Whenever communication requires interpretation, based on participants’ own language, its focus is upon individual (possibly specific) meaning (Dilthey, cited in Habermas, 1971, p.164 [1965]).

*Actions* also assist in interpretation of meaning. They provide practical life expressions, although as actions require interpretation they cannot stand alone as an interpretative mechanism. Through communicative action expressed as interactions, we can achieve reciprocal understanding to clarify assumptions (Habermas, 1971[1965]).

*Experiential expressions* are visible, non-verbal, physical reactions to communication such as body movement, and emotion including crying, laughing, and blushing. They provide spontaneous, un-stated illustrations of understanding and or intentions. Experiential

expressions are closer to 'nature' (and possibly the lifeworld) than ordinary language, they are not easily interpreted into spoken language (Habermas, 1971[1965]).

Natural language therefore, has a unique quality. It can be interpreted non-verbally. Interpretation in a lifeworld sense is impossible without familiarity and hermeneutic understanding. "The interpreter must learn to speak the language that he [sic] interprets" (Habermas, (1971 [1965], p. 172). Interpretation includes understanding the "'grammar" of ordinary language... Thus linguistic analysis also reveals the empirical content of indirectly communicated life experiences" (p.172). Hermeneutic understanding is further discussed in Chapter Five where I draw connections between the theory developed in this chapter and my fieldwork.

Habermas (2001 [1984], 1989, 1988 [1967], 1971 [1965]) developed the concept of communicative action so that mutual ethical understanding might be sought to counter forces embedded in logics which champion dominating forces through what he refers to as instrumental action. Communicative action and instrumental action each impact upon individuals' perceptions of society(ies) "simultaneously as systems and lifeworlds" (Habermas, 1989, p.118). During hermeneutic engagement in pursuit of communicative action, systematic influences can break off communication flows toward instrumental action and constrained 'agreement'. I discuss such processes next.

### **4.3.3 The system**

Habermas (1989) observed that it is possible for communicative action to be co-opted through instrumental action, to the advantage of the system over the lifeworld. The system of markets and states is founded in technology, science, and business strategy where material

reproduction in society appears to act independently toward exploitative goals. For example consider the system of markets and states where material reproduction in society has become to varying degrees apparently independent of those that contribute to its existence. Habermas argues that the system of capitalism reacts adversely upon the lifeworld through a colonisation process to achieve its own objectives through instrumental action.

Actors have always been able to sheer off from an orientation to mutual understanding, adopt a strategic attitude, and objectify normative contexts into something in the objective world, but in modern societies, economic bureaucratic spheres emerge in which social relations are regulated only via money and power. Norm-conformative attitudes and identity-forming social memberships are neither necessary nor possible in these spheres; they are made peripheral instead ... (Habermas, 1989, p.154).

Habermas compares actual courses of events critically against other possibilities and arrives at the conclusion that in capitalist Western societies, there is a loss of meaning and freedom (Brand, 1990). Different members associated with organisations consider issues from different perspectives, resulting in potential for conflict between individuals and or groups (Habermas, 2001). However, conflict is suppressed which otherwise might draw attention to losses of meaning and freedom (Deetz, 1992). Selective rationalisation is presented as acceptable through instrumental action based upon rationales that subscribe to unitarist neo-liberal concepts of business. When the economic system escapes from the normative control of the lifeworld it adversely impacts upon the lifeworld, bringing about “social pathology”. Through ideologies and processes that facilitate such actions systematic rationalisation is broken down, resulting in fragmented consciousness where in the past false consciousness allowed such processes (Brand, 1990, p. xii-xiv). Brand illustrates further:

Steering media such as money and power take over the integrative role of language in these fields of action, which together constitute the System. There is, however, in a society based on the capitalist mode of production, an ‘expansionist’ tendency in the System. This tendency is triggered off by the systemic need to accommodate the tensions generated by capitalist exploitation. Because of this systemic need these steering media intrude into areas of the Lifeworld which remain vitally dependent on

integration through communicative action, namely those areas which have to do with the Lifeworld's symbolic (rather than material) reproduction. By penetrating into these areas, as 'colonial overlords in a tribal society', they generate a social pathology for which the great sociologists of the past had already found various terms (alienation, anomie, loss of meaning and freedom) but not the right analysis of its cause... It only engenders social pathological phenomena in our type of society because it escapes from the normative control exercised from the Lifeworld and disturbs, in the process called 'colonisation of the Lifeworld', the latter's symbolic reproduction. Why is there so little resistance from a rationalised Lifeworld to its own 'colonisation'? Habermas sees the basic cause for this in the prevention of that global type of interpretation, which is found on the level of ideology. This prevention has to do with the fragmentation of everyday consciousness, which robs it of its synthetic power (Brand, 1990, p.p.xii – xiv, emphasis in original).

Habermas built upon Durkheim's notions of evolution to consider workplace rituals as 'sacred symbols' of today, utilised to enable the system to move social integration along its own predetermined paths. Corporate culture as communicated through mission statements might be considered as an example. Organisations' perspectives are communicated so as to legitimise and sanctify them through instrumental action, the process Habermas called the 'linguistification of the sacred', making them difficult to resist while maintaining one's employment (Brand, 1990). Employees therefore, are drawn to place organisational requirements above their own needs. Such circumstances appear to come about due to the effectiveness of the system to impact upon the lifeworld, and or employees' acceptance of instrumental actions influence through false consciousness or hegemony (Deetz, 1992, p.57). Habermas suggests that acceptance or tolerance of the system is sometimes due to employee employment needs, where they make 'pragmatic rationalisations' knowing that they are placing organisation requirements above their personal needs (2001, p.78). In circumstances where employment is crucial, and the less interesting the work, the more likely an employee is to "subordinate his [sic] own will" (Marx, 1962, p.p.169-170 [1890]). Deetz further develops this line of thought when he suggests that workers make "trade-offs" during their involvement in corporate systems, making lifeworld trade-offs in the pursuit of their personal, and economic goals (1992, p. 57). Deetz (1992) argues a lack of conflict within institutions

contributes to a lack of genuine participation, as discussed more fully in section 4.4. Next I focus upon instrumental action, the means through which, Habermas contends, the system overshadows the lifeworld.

#### 4.3.4 Instrumental action

Further, I distinguish between communicative and strategic [instrumental] action. Whereas in strategic action one actor seeks to *influence* the behavior of another by means of the threat of sanctions or the prospect of gratification in order to *cause* the interaction to continue as the first actor desires, in communicative action one actor seeks *rationally to motivate* another by relying on the illocutionary binding/ bonding effect (*Bindungseffekt*) of the offer contained in his speech act (Habermas, 1990, p.58, emphasis in original).

In the context of capitalist production, instrumental action methods are focused upon maximisation of gains and minimisation of losses through competition. Instrumental actions influence others through rewards and punishments toward goals of value to the system. They are based upon achieving predetermined organisational objectives. Instrumental actions are not social actions, although they may *appear* to be, or may be *presented* as such.

According to Deetz (1992) managers are mandated with higher levels of authority than non-managerial staff within organisational settings. Assuming managerial prerogatives along narrow lines, managers attempt to suppress conflict through instrumental action toward organisation goals. As such, organisation life directed by management often routinises conflicts in the interests of minimisation of costs through standardised mechanisms, marginalisation of non-compliant members, reduction of alternatives and shifts in responsibility through socialisation practices (including discipline, sanctions, and rewards). Such practices attempt to move employees toward predetermined resolutions in accordance with organisation objectives, while at the same time suppressing conflict and normalising organisational objectives toward instrumental goals. Instrumental action is focused upon

achieving what ever is necessary to achieve that which benefits ‘the system’ (Habermas, 1971, p.162 [1965]). Habermas has continued to develop his analysis of instrumental action:

... not all rules of action are conventions in the sense of valid - that is, intersubjectively recognised – norms. The rules of instrumental action are not conventional in this sense, nor do rules of strategic action per se enjoy validity in the sense of intersubjective recognition of a normative claim to validity. In addition, both of these types of rules require an attitude oriented to [narrowly focused] success, not to reaching mutual understanding (Habermas, 2001, p.109 [1984]).

Instrumental action is driven through predetermined, often undisclosed, unitarist organisational norms. Such actions are fundamentally driven through motives that pursue strategic goals and are not designed to achieve mutual understanding and mutual agreement. Therefore, Habermas argues, instrumental action cannot serve in the interests of intersubjective justice.

#### **4.3.5 Critique of Habermasian theory**

Habermas’s work has been critiqued from a range of perspectives. Critics suggest the elements of his argument are at times vague, idealist, and non-specific. Habermas’s work has also been criticised because it is difficult to defend some of his distinctions between the lifeworld and the system, where he seeks to balance philosophical and social science orientations. However, Alvesson (1996) argues “the fact that there are certain aspects that cannot be captured by the theory, and that theory itself cannot solve all problems or avoid all contradictions, does not mean that it cannot be used to throw light on some important aspects of social conditions and relations” (p. 148). Habermas’s theories provide frameworks through which we might observe interactions in order to make distinctions between the lifeworld and the system; and in the case of communicative action ideals to which we can strive (Alvesson, 1996).

Alvesson (1996) reports that Habermas's

theory of communicative action is said to be intellectualist and unrealistic; it overestimates people's functioning in relation to valid arguments, neglects the ambiguities and uncertainties in language use and is of limited empirical relevance... A typical stance is that Habermas's ideas are intellectualist, and that the contradictory and irrational character of fundamental social structures must be countered by social action rather than by endless argument and discussion (Alvesson, 1996, p.145).

Habermas's work may appear idealist. Ideals, however, may still be worth striving for. While ideal communicative action may not be achieved – or even achievable - working towards such ideals seems to me an important contribution to the emancipatory aspirations of critical theorists. And an intersubjective prerequisite to social action, that we might first agree upon alternative social action, achieved by way of communicative, action before action. Through communicative action we might avoid further entrenchment, colonisation or hegemony.

Habermas's critics question his concept 'the ideal speech situation'. Its scientific, objective capacities are questioned as is its capacity to engender 'truth' within contextually bound understandings. Habermas counters the discussion, suggesting that science might prove that ideal speech acts have achieved more than has been anticipated (Van Peurse, 2005).

Scholars such as Alvesson (1996) consider ideal speech is a useful concept when striving toward "spotting fruitful differences and conflicts, rather than the prospects of lasting consensus" (p. 149). I am comfortable with considering Habermas's understandings of the 'ideal' as possibly fragile, difficult to measure, difficult to duplicate, possibly elusive and temporary, but worth striving for.

When seeking agreement through communicative action, there will no doubt be assumptions and communications of which the participants will not be (fully) aware. It is not always possible (perhaps due to time, personal ability and energy constraints) to test and explore all alternatives, such that communicative agreement cannot always achieve the ideal (Alvesson,

1996). However, Habermas encourages anticipation of ideal speech situations, not necessarily achievement of them (2001, p.97 [1984]). Conceivably in advocating the ideal, Habermas also acknowledges limitations that prevent its attainment and therefore is open to compromise.

The communicative agreement Habermas values is not achieved through self-interest (such as the force of the neo-liberal market place), nor contingent upon the power of force (Alvesson, 1996).

#### **4.4 APPLICATION OF HABERMASIAN IDEAS TO ORGANISATION STUDIES**

Deetz (1992) argues that many modern organisations now handle more funds in a year than the gross national product of entire countries (Deetz 1992). They have sufficient economic power to influence decision makers, such as governments, and have little notion of accountability to seemingly self serving demarcations. Organisational focus has intensified upon profit, stock price and market position over loyalty to nations, communities, workers, organisational nature and products. Fear and instability contribute to organisational control, placing profit (for shareholders and managers) before people (their employees and the communities/ environments in which they operate). In the context of such an analysis, Alvesson and Deetz (2000) argue that critical theorists “see organizations as social historical creations accomplished in conditions of struggle and domination” (p. 83). They suggest that the study of organisations is especially insightful

since organizations are largely described as political sites. Various forms of power and domination have led to skewed decision making, and fostered social harms and significant waste and inefficiency. (Alvesson & Deetz, 2000, p.83).

Critical management researchers focus upon the (im)balance of political interests. Their view is contrasted here with a rhetoric in which the pursuit of individual benefits within the framework of competitive market forces is represented as serving the well-being of all. The often unequal relationship in which the interests of the company are served at times at the

expense of employees is obfuscated by the unitarist discourse of this rhetoric. From the perspective of the critical theorists, the subjugation of the interests of workers to the interests of power in a neo-liberal context is contrary to the often simultaneously held commitment to emancipatory, participatory and egalitarian principles of democracy.

Critical management researchers utilise critical theory to provide a platform from which to investigate management assumptions (Alvesson & Willmott, 1996a). They are not anti-management per se, but challenge and/or critique management control achieved through exploitative practices. They seek alternatives to such exploitation and seek to serve the interests of all stakeholders. In keeping with their emancipatory aspirations “Critical theorists try to show how commercial organizations could be positive social institutions providing forums for the articulation and resolution of important group conflicts” (Alvesson & Deetz, 2000, p.83).

Deetz (1992) proposes contemporary critical theory can be divided into two key approaches, ideological critique and communicative action. Ideological critique encourages a challenge to constraining social ideologies that may be grounded in limited and limiting forms of reason. Deetz (1992) suggests that ideological critique alone, however, is not sufficient to explain the full nature of domination. Habermas promotes a process to extend analysis into transformational activity. For him and like thinkers this might be achieved through inclusive communication in the interests of democracy. It would require a commitment to a searching critique of values and an eye for the impulses generated from the seeming reality of perceived immediate and pragmatic needs:

Only when split-off motives and deeply internalized rules have been understood in their objective connection with the rational compulsions of collective self-preservation on the one hand and the irrational compulsions of superfluous authorities on the other,

when they have been reconciled with subjectively meaningful motives in the minds of the acting subjects themselves, can social action develop as truly communicative action (Habermas, 1988, p.88, [1967]).

As with other critical thinkers concerned with the subtle forms of control that operate in purportedly free societies, Jermier (1998) considers that the forms of control used in western organisations are insidious and not well understood. He is concerned that the mechanisms and processes used to achieve order may be more destructive than they appear. Such a concern is also articulated by Deetz (1992) who maintains that in organisational settings instrumental action is achieved through the communication of values and practices that support, extend and justify system objectives over the personal lifeworld needs of employees. Organisational practices suppress conflict and pressure employees to comply with undemocratic distorted and pre-established “needs” (p.57). This suppression is not only deemed unethical by these theorists – but likely to be counterproductive. The “greatest potential fear comes from the lack of crisis potential, for a crisis would at least evoke public concern and discussion” (p. 43). Deetz goes on to argue that communicative action might enable participant analysis and generate an emancipatory response. Such aspirations have been extended to organisation studies by Alvesson (1996); and to participatory practices within organisations by Deetz (1992), Deetz and Stevenson (1986), and to New Zealand organisational studies (Paine & Humphries, 2004).

In addition, Deetz argues that managers are making organisational decisions to the detriment of their workers based upon their own ideological assumptions and behind a shield created through and based upon the above-mentioned factors. The well established ‘managerial prerogative’ in western organization, ensures that the objectives of managers are often valued above those held by stakeholders including employees and communities. This power of managers may not necessarily be exercise only in the service of their employers. He suggests

that managers may focus on control, and self interest, rather than on organisational or stakeholder interest. This dynamic may be particularly prevalent among lower level managers who have reduced levels of control within organisations that have adopted centralised decision-making. He argues such managers have little real influence upon profitability; their interests are reduced to internal, technical, and relationship issues, in addition to overseeing symbolic occasions (Deetz, 1992). This dynamic is likely to be prevalent in foreign owned corporations, with distant owners and weakened stakeholder commitments and its investigation is therefore pertinent to my study.

I seek to challenge exploitation and to support silenced or marginalised people within business settings, that practical responses to exploitative employment practices might be achieved through critical theory principles. Focusing upon communicative action, I examine approaches through which workplace exploitation might be challenged through emancipatory participatory action research, toward a more balanced world view that sees the lifeworld and the system as natural complements. Habermas's work provides a framework through which we may not only examine organisation practice, but through which we may work towards more emancipatory ideals.

#### **4.4.1 Participation within organisations**

Habermas (2001 [1984], 1989, 1988 [1967], 1971 [1965]) advocates agreement freely achieved through communication founded upon rational principles. In the footprints of Habermas, Deetz (1992) proposes true participation is a shared ideal that anticipates honesty. Lies, he suggests, serve to undermine any communicative consensus that might have existed, resulting in "false participation" and removing hope for communication in its purest sense (p. 163).

Deetz (1992) extends and continues Habermas's work, offering true participation as the key to mutual understanding. Conversely, he argues communication that inhibits free and open participation, through whatever means, cannot result in true agreement and cannot therefore be considered rational. Deetz notes the potential use of discourse to influence others actions toward an array of potentials – but that we need a more sophisticated theory of language in order to meet these aspirations:

The historical nature of language is not such that a word stands in the place of an absent, to-be-recalled object. Rather, language holds forth the historically developed dimensions of interests, the lines along which things will be distinguished. Language holds the possible ways we will engage in the world and produce objects with particular characteristics (Deetz, 1992, p. 59).

Language, therefore, according to Deetz (1992) in addition to communicating information, is a vehicle through which individuals and groups seek to freely achieve agreement, or conversely to influence the actions of others, covertly or overtly.

Van Peurseem (2005) also claims inspiration from Habermas's concepts of communicative action and ideal speech, recognising their philosophically-grounded, morally-informed and values directed qualities. In her research into a 'values-directed' approach to accounting in a New Zealand hospital, she saw growth in participants' tendencies to listen and move to consensus, in addition to levels of transformative deliberation. She recommends application of Habermas's work through action research.

Alvesson and Deetz (2000) identify exploitative 'strategic management' practices that legitimise and privilege 'management' of organisational-environments through reference to employees in non-human and/or military terms, they recognise such methods as pervasive vehicles through which employees are brought to subordinate themselves to corporate strategies. Alvesson and Deetz also describe hegemonic corporate culture programmes that

are designed to promote and embed corporate values in order to stifle conditions where critical reflection might develop. Humphries (1998a) and Barker (1993, & 1999) provide contemporary examples of critique of projects implemented in workplaces that promise participation and empowerment but appear to achieve employee domestication. They question the co-optation of 'participative' practices in workplaces to serve the intensification of exploitation. These types of studies indicate that (even voluntary) submission to the technical mechanisms seek to ensure 'efficiency' in a system designed to achieve profit maximisation.

Work identity communicated through the system, has impacted upon community identity (the lifeworld) through often insidious forms (see Deetz, 1992). Many (see Deetz, Grim, & Lyon, 2003, p.56, Humphries, 1998a; & Barker, 1999, & 1993) also argue that 'participatory' practices utilised within workplaces are driven along what could be described as strategic (instrumental) lines. I propose that Habermas's understanding of the system, supported through instrumental action, gives explanation to such phenomenon. Habermas (2001 [1984], 1989, 1988 [1967], 1971 [1965]) offers hope to counter instrumental forces through communicative action.

Deetz, Grim and Lyon (2003) take a Habermasian communicative action perspective, paying particular interest in participation within organisations. In pursuit of restorative justice they advocate a level of conflict in communicative practices to enhance mutual understanding toward mutually agreed outcomes. Their focus is upon approaches that are consistent with my emancipatory interests. According to Deetz, Grim and Lyon (2003) communicative practices are developed over time in response to specific social, institutional, and political influences. Through communicative practices that champion the interests of everyday life (the lifeworld), we might strengthen systems of collective choice in recognition of our mutual

interdependence. They suggest that in addition to freedom of speech, more space should be given to “preservation of meaningful places to speak” (p. 58) where participants’ perspectives might be valued and all perspectives known so that better decisions might be made. “The desire for representation requires building processes that develop alternative perspectives, fosters their expression, and gives them an equal opportunity to influence decisions” (p. 58). Freedom of expression is meaningless without representation and opportunity to express perspectives through non-aggressive forms of communication. Participants can achieve more creative solutions through “social formation of experience” (p. 59) than they can achieve as individuals.

Through openness to other perspectives participants are better able to engage in emancipatory communicative practices. Recognition that others see situations through different lenses is primary to emancipatory dialogue; “fundamental otherness suggests that any possible label or conception of self, other, and world is capable of being questioned” (Deetz et al p. 64).

Taking responsibility to appreciate the ‘other’ is a key component of dialogic interaction. Deetz, Grim and Lyon (2003) advocate open communicative relations that value ‘other’ perspectives, push against narrowly constructed realities and expose pre-existing perspectives. “Productive relations happen as the fixed self/ other/ world configuration gives over to the conflictual, tension-filled antagonisms out of which objects are differentiated and redifferentiated and preconceptions yield to new conceptions” (p. 62). In such circumstances self interest and external powers are challenged and participants become more aware of political and personal influences.

Deetz, Grim and Lyon (2003) propose a level of conflict can be useful to facilitate agreement and voice. Jehn and Mannix (2001) suggest task, cognitive or process conflict have more

constructive potential than does relationship conflict which focuses upon (inter)personal issues<sup>12</sup>. Conflict is not the focus of my fieldwork, but is apparent recognition of levels of conflict has potential facilitate participation. I suggest, task, cognitive and process conflict can facilitate rigorous co-enquiry through PAR toward agreed objectives by way of inclusive collaborative decision making processes.

In searching for more emancipatory approaches to engagements, Deetz, Grim, and Lyon (2003) examine the suitability of mediation and restorative justice to provide places to speak where participants' perspectives might be valued. They argue mediation and restorative justice are presented as inclusive approaches to dispute resolution; each "provides an adequate "forum", but "voice" in the sense of contestation and the presence of genuine otherness is greatly limited" (p. 69). Instead Deetz, Grim and Lyon advocate communicative practices that are designed to encourage participants to express their perspectives and concerns, including expressing their conflicts; and to examine social and systematic traditions that enable conflict to emerge; in the hope that we might "reclaim some of the disorder out of which responsive and responsible choices arise" (p. 70). When we work to make collective and collaborative decisions they advocate diverse social perspectives should be valued, and communicative practices designed toward full inclusion and 'voice'.

#### **4.4.2 Section summary**

Critical management researchers encourage participants to question the status quo in their lives and society, so that distortions that have been embedded in logics developed and accepted over time might be challenged and revealed. They do not assume value-free

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<sup>12</sup> Task conflict focuses upon differences regarding achievement of group projects; it is similar to cognitive conflict in that it pertains to conflict regarding a task. Process conflict focuses upon disagreement regarding how a task might be achieved. Relationship conflict focuses upon personal issues. For a more in depth discussion regarding conflict, see Jehn and Mannix (2001).

relationships, but seek to expose underlying motives and power imbalances. Critical theorists generally encourage reflection upon alternative epistemologies to expose hidden assumptions and demystify claims to authority. In so doing they explore the possibilities of alternatives in order to address imbalances of power, in the hope that the liberatory potential of democratic principles will be enhanced. Critical theorists, recognising attempts to legitimise capitalist forms of production, include organisational studies in their gaze. They explore the extent to which people within organisations are manipulated and conditioned in ways that enhance profit, growth or managerialist interests, even to their own disadvantage and seek alternatives to such practices.

Based on this analysis, and mindful that any participatory process within a capitalist context could be co-opted, I committed to a reflective PAR research project through which I sought to engage participants in dialogue that would generate enhanced well-being in their workplace. I anticipated participation could provide a means through which inclusive agreement might be achieved. So that more valid agreement might be achieved, I recognise and respect the potential for conflict to bring the possibility of challenge to the limiting forces of self-interest and instrumental action. In the next chapter I discuss PAR methodological issues and ethical considerations.

## 5 PARTICIPATORY ACTION RESEARCH: METHODOLOGICAL ISSUES

The field of action research that I am focused upon is motivated by relevance toward social change (Brydon-Miller et al. (2003). In this chapter, I review literature focusing upon the philosophical and methodological assumptions attributed to PAR approaches. It is its participative emancipatory foundation that draws me to an interest in PAR, however, not all PAR processes are concerned with emancipation as Brydon-Miller, Greenwood and Maguire propose. Therefore, I use Kemmis's heuristic instruments to assess approaches to PAR to trace the move from PAR to emancipatory PAR. Achievement of communicative action through hermeneutic processes within PAR is considered, as are ethical considerations.

The co-optation of participative management practices and discourses of employee empowerment for the intensification of managerial control of employment has been documented by Deetz, Grim and Lyon (2003), Alvesson and Deetz (2000), Barker (1993, & 1999), Gastil (1994) and Humphries (1998a) as described in Chapter Two. The critical literature exposing the fashionable employee participation programmes that emerged in the 1980s under conditions of intensification of capitalism concerned me as it challenged my deeply held belief in the possibility and necessity for employment practices that are just and safe for all. This belief has been challenged especially in the political and economic climate that has predominated in this country since the mid 1980s. The emergence and embedding of neo-liberalism, discussed in Chapter Three posits that necessities for human existence are increasingly to be delivered through 'the market' and are thus to be associated with or mediated through employment participation.

The 'undemocratic' processes of interest to critical theorists are not always self evident. The critique of the emergence of employee 'participation' and 'empowerment' processes as a

process of intensification of control for example, has already been described in Chapter Two. To the extent that an uncritical approach to these purportedly empowering processes might contribute to the exacerbation of exploitative processes, the value of ‘doubt’ in analytic processes was discussed. However, to embed a condition of mistrust and to limit human endeavors accordingly will not meet the emancipatory aspirations of critical thinkers. Accordingly, in Chapter Two I brought into view the work of Habermas that calls for commitment to trustworthy engagement in the achievement of a just society. Habermas calls this communicative action.

In Chapter Four, I argued that Habermas, concerned about the encroachment of instrumental logic on the lifeworld, proposed communicative action as an emancipatory response to such an analysis. I am particularly interested to explore the extent to which communicative action, through participatory action research (PAR) might create a ‘communicative space’ (Kemmis, 2001) in which the potential co-optation associated with hegemonic control might be resisted and through which the lifeworld might flourish. Thus I seek to contribute to employee well-being in the workplace. My broader academic interests lie in understanding and transforming of exploitative practices that, in democratic societies, are contrary to espoused commitments to justice and participation.

When applied to organisational studies, critical theory may be considered as a lens focused on our area of interest - a lens that may be used to expose practices and systems that are judged exploitative or otherwise unjust. Critical theorists (Alvesson & Deetz 2000) and action researchers (Brydon-Miller et al., 2003) share a conviction that ‘knowledge’ and its subsequent understanding (creation) of ‘reality’ is socially constructed. The assumptions of that construction are often already embedded in an entrenched social fabrication of values and

aspirations. Where these assumptions have normalized or even naturalized an imbalance of power, a tolerance of exploitation and a lack of responsibility for emancipation is embedded, a liberatory process is called for. The historical work of theorists underpinning this analysis was reviewed in the previous chapter. Accordingly, with Brydon-Miller, Greenwood and Maguire (2003) I recognise that “research is embedded within a system of values and promotes some model of human interaction...[and so we can elect to commit to] a form of research which challenges unjust and undemocratic economic, social and political systems and practices” (p. 11). I committed to this ideal in my Ph.D. process.

‘Authentic’ participation is argued, in this thesis to be a necessary aspect of liberatory processes – in political, economic and all social activity. It is a mandate or implicit assumption associated with the democratic ideals that are promoted along with the freedom (and responsibilities) of/for capital(ists). In response to this move from the analytical insights of critical theorists to the associated aspirations to contribute to transformation towards emancipation, I have chosen a participatory research process that engaged employees to become actively involved in the enhancing of their workplace experience. In this choice I sought not only to achieve with them, immediate improvements in their working lives, but also to contribute to creation and evaluation of processes built on deconstructive approaches to reconstructive endeavours. The methodological issues that are generated from this choice of method are discussed in this chapter.

## **5.1 PHILOSOPHICAL ASSUMPTIONS OF THIS RESEARCH**

This research is founded upon interpretative and normative approaches that are consistent with the concepts of qualitative research (Sotiros, 1993), critical theory (Jermier, 1998), and action research (Brydon-Miller, Greenwood, & Maguire, 2003). These approaches are

designed to “capture and portray the insiders’ perspective” (Jermier, 1998, p. 240). Normative theorists consider objectivity and neutrality as unattainable and undesirable. Such concepts have no sense in a paradigm that does not have an ideological allegiance to the existence of an independent social reality recordable by supposedly neutral observers employing unbiased research processes. The rejection of the very possibility of neutrality implies the need for the declaration of the researcher’s position. Making explicit my interest in devising processes of research that will address the imbalance of power in employment relations is discussed in Chapter One and Two. I am drawn towards research approaches that make explicit a normative obligation to work towards human emancipation.

Five elements of the normative approach undertaken in this research are drawn from the work of Jermier (1998, p.238):

- 1) It is not possible to separate oneself absolutely from the impact of intrinsic evaluation, feelings and beliefs when conducting social science research;
- 2) social scientists conducting normative research should hold a position on social issues, and must provide (but not impose) their opinion in order to encourage dialogue regarding social issues;
- 3) one’s values direct one’s thinking and actions, and therefore cannot be ignored;
- 4) disclosure of one’s values and beliefs is more honest than upholding a suspect or unachievable commitment to neutrality; and
- 5) the very nature of social research is normative in its pursuit of ideals.

These elements have been employed as a guiding framework in this research.

## 5.2 PARTICIPATIVE ACTION RESEARCH

Dickens and Watkins (1999) suggest action research is an umbrella term which describes a range of change management activities within their natural environments. Reason (1988) describes it as co-operative inquiry and Cunningham (2001, p.196) highlights its utilisation toward solving “real organizational or social problems”. Reason and Bradbury (2001) suggest that action research (AR) and participatory action research (PAR) are interlinked to the point where we cannot have one without the other. Reason and Bradbury define action research as:

a participatory, democratic process concerned with developing practical knowing in the pursuit of worthwhile human purposes, grounded in a participatory world view which we believe is emerging at this historical moment. It seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues of pressing concern to people, and more generally the flourishing of individual persons and their communities (2001, p.1).

It is its explicitly participative (emancipatory) foundation that draws me to PAR.

Fals-Borda (1991) identifies the key stages of PAR as research, education and action. He extends the discussion further and identifies research, adult education and socio-political action as PARs focus. Empowerment through equal participation, the rejection of dogma and vertical authoritarian structures are seen as fundamental to PAR as it moves from the micro level to the macro in a spiral towards emancipation. Fals-Borda sees PAR as *socio-political* in its capacity to enable those involved to realise their own abilities. He puts forward four techniques with which to counteract imbalances of power:

- 1) collective research which values knowledge that is sensitive to other perspectives and reinforces the value of dialogue;
- 2) critical recovery (rediscovery) of history in an effort to enhance awareness of situations;

- 3) valuing and applying folk culture in an effort to recognise the core values of those in the community;
- 4) production and diffusion of new knowledge, which are the essence of PAR.

Participatory research may be used to *encourage* people to take action to improve their lives. It provides a framework through which participants might choose to revolutionise their environments, or to make superficial adjustments, or retain the status quo. Park, Brydon-Miller, Hall and Jackson (1993) consider PAR enables people to research their own situations so that they *might* transform their lives for themselves. Enlightenment (and empowerment) is born through self discovery in the course of participation (Kemmis, 2001). PAR is designed to *assist* participants to look at the underlying influences in their worlds, the research itself provides a means to *assist* people to move beyond the present. As such, PAR *inspires* an expectant struggle for change for the better (Park, Brydon-Miller, Hall, and Jackson, 1993).

### **5.2.1 Development of PAR in workplaces**

It is difficult to trace a single coherent history of action research. Reason and Bradbury (2001) report many people view Kurt Lewin as its main pioneer in America. Cunningham (1993) suggests that an action-orientated philosophy was simultaneously developed in England during the 1930s. Further development of action research approaches can be traced through Norway, Sweden, Denmark, Germany and the United States from the 1960s onwards (Reason & Badbury, 2001) and in Africa from the 1970s (Park, Brydon-Miller, Hall, & Jackson, 1993). The 1980s saw a collaborative quest toward new approaches to action research, centring upon the communication of change rather than upon particular rationale for change (Reason & Badbury, 2001). Locally, action research has been advocated as a suitable instrument in the new millennium and the e-work organisation (Human Resources Institute of

New Zealand, 2001). Action research forms the basis of theoretical research and action, through different approaches, growth in its acceptance has continued in social science research across the world. Reason and Bradbury have published a popular introduction to action research in their 'Handbook of Action Research' (2001). Sage Publications launched a 'Journal of Action Research' in 2003 and many universities across the world now include action research in their programmes.

Brydon-Miller, Greenwood, and Maguire (2003) suggest action researchers generally recognise "theory can and should be generated through practice ... focused on achieving positive social change". Practice informs theory which in turn informs practice. Such processes provide "the insights needed for effective intellectual argument". Through critical theory action researchers are able: "to frame issues of power and identity; to suggest strategies for action and explanations of outcomes which had earlier left us puzzled; to provide structures through which our work could be better understood and our practice improved" (p. 15-16). Habermas (1989) offers communicative action as a means through which emancipation might be achieved. His work seems to offer useful links between critical theory and practice; more particularly between action research, and communicative action (Kemmis, 2001).

#### **5.2.1.1 Lewin's focus upon action research**

Kurt Lewin's focus upon the application and development of action research in workplace settings is of particular interest to my research design. Much of what we know of Lewin's work now comes through the development of his ideas by Alfred Marrow, originally a PhD student of Lewin's. Lewin and his collaborator Marrow worked within manufacturing plants owned by Harwood Companies Incorporated of which Marrow was a chief executive

(Marrow 1969 & Marrow, 1972). The particular form of the uptake of Lewin's work, as mediated by Marrow, is discussed below.

Lewin, a Jew, was born in 1890 in Germany. He worked at the University of Berlin as a psychologist focussing upon individuals in their social environments (Marrow, 1969, p.166). As the Jewish position in pre WW2 deteriorated, he immigrated with his immediate family to America in 1933, where he joined the faculty of Cornell University and worked there for two years (Cunningham, 1993). Subsequently, Lewin held various appointments over a nine year period at the University of Iowa, during which he was mentor and friend to Alfred Marrow. Marrow conducted his doctoral thesis in psychology around concepts developed by Lewin, and continued Lewin's work after his death (Marrow, 1969).

Lewin was "profoundly concerned with the persecutions in Nazi Germany" (Allport, 1945, p. xii). This concern appears to provide impetus for much of his work. He observed "democracy must be learned anew in each generation, and that it [democracy] is a far more difficult form of social structure to attain and to maintain than is autocracy" (p. xi). Lewin's (1943) interests appear to have grown out of his concerns for cultural change after times of war, in order to secure times of peace in the periods between the wars. He noted a lack of such change in Germany between WWI and WWII, attributing WWII in part to a lack of cultural reconstruction toward sustained peace. Therefore, he sought to discover through what methods change might be achieved. He argued that a "certain amount of cultural reconstruction will be necessary in most countries after the war [WWII]; these countries will have to switch from a wartime to a peacetime "culture"" (p. 35, emphasis in original). Lewin observed some cultural sentiments change more quickly than do others. Noting they appear to

be contextual, he concluded they are 'learned'. As a consequence of this insight he sought to explore means through which deeper cultural characteristics or traits might be changed.

Lewin considered group membership as one of the most important bases for a person's life. The first group that impacts upon a person's life is usually their family, which has an impact no matter how indirectly. Lewin also considered the importance of groups during our adult lives. He maintained, not all groups are equally important to people throughout their lives. Some dominate over others and people seem to know which they belong to and which they do not. Lewin proposed that such knowledge of our affiliations and allegiance determines our behaviour. When we are unsure of our position in groups, we exhibit uncertainty in our behaviour. Lewin also observed some people may spend their entire lives in doubt of their level of belonging (Marrow, 1969). Therefore, Lewin observed that the groups to which we belong are important to us. They are the source of our social status and our feelings of security.

From Lewin's point of view, group behaviour is a function of both the single person and the social situation. Neither the personality of the man [sic] alone nor the nature of the social situation by itself is adequate to interpret group behaviour. Both variables must be understood (cited in Marrow, 1969, p.166-167).

Lewin (1943) sought to encourage 'democratic' change through 'educative processes'. He considered the actions of the democratically minded German leaders after WWI and deduced that they "confused democracy with "being unpolitical" and under this slogan permitted the old reactionaries to keep their official positions as "experts"" (p. 37, emphasis in original). He lamented that Germany's leaders did not realise the importance of 'intolerance of intolerance' in establishing and maintaining a democracy that has "tolerance for the tolerant" (p. 37). Lewin emphasised the necessity for strong leadership as an efficient positive use of the political power by the majority as an essential aspect of democracy (p.p. 37-38). He

considered democracy does not require uniformity, but instead should “safeguard against misuse of individual freedom by the gangster or - politically speaking - the “intolerant”” (p. 36, emphasis in original). He suggested development of desired change should centre upon “increased emphasis on human values as against superhuman values, such as the state, politics or science” (p. 36).

Lewin (1943) considered obstacles to democratic cultural change and deduced that we need to learn to behave democratically. He sought means through which “social engineering” (p.202) might contribute toward what he considered democratic ends, arguing such change is required in officially recognised and unofficial values, in addition to group life.

While it is correct that change of values will finally lead to a change of social conduct, it is equally correct that changes of action patterns and of actual group life will change cultural values. This indirect change of cultural values probably reaches deeper and is more permanent than direct changes of values by propaganda. There is no need to point out how thoroughly Hitler has understood this fact (Lewin, 1943, p. 38).

Lewin was aware that it is difficult to teach democracy, as democracy cannot be imposed in the way that autocratic principles are imposed. Democratic policy determination is achieved when all members participate. “Actually, this procedure defies its purpose because in politics as in education a successful action has to be based on a full knowledge of reality” (Lewin, 1943, p. 40). He suggested, that democratic leaders should lead without directing and then went on to recommend a level of ‘manipulation’. “To instigate changes toward democracy a situation has to be created for a certain period where the leader is sufficiently in control to rule out influences he [sic] does not want and to manipulate the situation to a sufficient degree” (p. 39). Recognising the paradox in this position, he recommends such leaders work toward making themselves redundant, to be replaced by indigenous group leaders.

The harnessing of seemingly democratic processes to capitalist endeavour, when cast in a unitarist framework raises concerns of hegemonic control. To bring this paradox into open consideration is one of the purposes of this theses and a concern expressed by Lewin. He acknowledges the difficulty in people “understanding a term like democracy in any other way than in those conceptual dimension in which they are accustomed to think” (Lewin, 1943, p.37). Thus Lewin introduced the notion that ‘democratic’ teaching can be in error.

Lewin (1943) recommended processes designed to instigate changes (toward asserted democracy) should be established so as to *not* create “resentment and hostility and instead build upon co-operation” (p. 41). In these recommendations Lewin was focused upon re-education of Germans toward peaceful democratic endeavours, particularly Hitler’s youth, stressing what he considered to be their ‘un-critical and unscrupulous’ nature (p.41). As such, Lewin (1945) advocated the “need for re-education arises when an individual or group is out of step with society at large ... out of touch with reality”, and divergent “from the norm or from the reality of objective facts” (p. 56). Analytically speaking, however, such descriptors of disciplinary ‘education’ might have been used by Hitler to build his regime. In this light, Lewin’s work could be used to support the undemocratic institutions he worked to resist. A discussion regarding Lewin’s apparent acceptance of social engineering is provided in the ethical considerations section 6.4 of Chapter Six.

Much of Lewin’s writings regarding social engineering toward cultural change in his new industrial environment appears to accept organisational objectives and organisationally focused ‘realities’ unquestioningly. His writings appear to uncritically value management objectives over others and therefore do not fit well with critical theorists’ liberatory principles of democracy. I consider three key factors may have contributed to what I describe as the

incomplete development of some of Lewin's theories. Lewin died before he was able to develop a more full critical analysis of his hypotheses regarding social engineering and its potential hegemonic outcomes in US industrial organisations. In addition, his faith in education to transform fascist regimes and the instigation of democratic ideas may be overly idealised. Power is rarely given up freely. Secondly, Lewin's work may have been co-opted and or driven in ways that he did not envisage. I suggest much of Marrow's work was (later) focused through an uncritical lens upon organisational profit goals above human flourishing. Thirdly, Lewin's knowledge of the overt injustices conducted in Germany during the world wars contributed to what could be described as his uncritical acceptance of (or desensitisation to) more subtle forms of fascism that radical critics of capitalism associate with neo-liberalism. Lewin's work was conducted in the U.S., perhaps he did not recognise that which Deetz, Grim and Lyon (2003) later describe as the "narrow U.S. version of democracy" (p. 57). Although he does acknowledge democracy is culturally bound. He appears to not be fully aware of the power dynamics of the (democratic) society in which he was positioned, (Lewin, 1943). Gastil's (1994) also critiques Lewin's works, suggesting they are under developed and open to undemocratic interpretation. Gastil argues Lewin's theories have a potentially "manipulative and elitist" (p.157) nature, their ambiguity renders them open to interpretation, and his colleagues and others have applied his work "for undemocratic purposes" (p. 157).

Despite the weaknesses to be found in Lewin's assumptions about the strength of the democratic process in the USA, the place he found his refuge from the Nazis, his concerns and his aspirations generated experiments with worker participation in the direction of their workplaces. When attempting to express these aspirations in a capitalist context, the anomalies which appear are addressed in this thesis by an overt commitment to a pluralist recognition of the imbalance of power in capitalist practices that must be addressed if

capitalism is to be brought into the service of all people rather than be harnessed in the interests of a few – an interest camouflaged by the rhetoric of unitarism, a rhetoric that silences voice through hegemonic assimilation, false or fragmented consciousness or fear. Being mindful of these concerns, and addressing the risks of domesticating outcomes of workplace participation practices described in Chapter Two, in the next section I outline approaches to PAR that may counteract/ safeguard against such hegemonic outcomes.

### 5.2.2 Methodological approaches to PAR

Kemmis (2001) proposes that there are three distinct approaches to action research i) technical or instrumental, ii) practical, and iii) emancipatory. Each has a different purpose or set of objectives. The distinctions Kemmis makes offer useful diagnostic instruments through which one might assess action research, ranging from achieving functional improvement in organisations through to more emancipatory goals of individuals, communities or nations.

[1] a *technical* or *instrumental* (or means-ends) interest in the case of *empirical - analytic* research - that is, an interest in getting things done effectively; [2] a *practical* interest in the case of *interpretive* research - that is, an interest in wise and prudent decision-making in practical situations; [3] and an *emancipatory* interest in the case of *critical* research - that is, an interest in emancipating people from determination by habit, custom, illusion and coercion which sometimes frame and constrain social and educational practice, and which sometimes produce effects contrary to those expected or desired by participants and other parties interested in or affected by particular social or educational practices (Kemmis, 2001, p.92, emphasis in original).

Under unitarist conditions, the technical, instrumental approaches used to achieve practical outcomes (the improvement of productivity, for example) may well be a manifestation of the processes exposed by the likes of Baker (1993) and Humphries (1998a) as domesticating and exploitative.

The distinctions provided by Kemmis are a heuristic device through which to compare PAR approaches and their effects. In keeping with the critique of participatory management

processes I am casting a critical view over the application of PAR in the service of organisational outcomes, where these organisations may contribute to the fabric of intensifying corporate capitalism with its associated challenges. The instrumental ethics that underpin and justify such exploitations are thus implicitly challenged. This aspect of my work builds on the distinction made by Habermas (1989) between instrumental reasoning that serves colonisation of the lifeworld and communicative action, as a reclamation of that lifeworld to serve human flourishing. Next I provide summaries of Kemmis's key approaches to action research with examples of what they might entail based upon my interpretation of Lewin's work.

#### **5.2.2.1 A technical or instrumental interest**

Kemmis (2001) suggests much action research falls within a narrow technical or instrumental approach implemented to serve functional means-ends interests toward predefined, narrow single purpose outcomes. "It takes a narrow, generally 'pragmatic' view of its purpose" (p. 92). Such outcomes or goals may not be questioned or examined with regard to the interests they might serve. This apparent lack of interest in interests does not make this approach interest free.

Next I examine some of Lewin's approaches to action research and Marrow's (1969) representation of them to illustrate their apparent application to serve a technical or instrumental means-ends approach toward organisational goals. Although at times he appears to hold an implicit un-critical acceptance of managerial prerogative, Lewin's work can be described through technical, practical and emancipatory parameters.

Lewin warns of the consequences of attention to 'efficiency' without an examination of purpose or outcome. In order to meet his explicit commitment to democratic ideals, his focus on employee participation must either have assumed the mutuality of interests of workers and the organisations that employed them or assumed that such mutuality was achievable by behavioural training with a specific but temporary role for managers to direct behaviour. Support for this position would come from Lewin's own stated commitment to democratic education in all institutions of society. Gastil (1994) is less charitable than me in his analysis of Lewin's work. I accept that all theories are vulnerable to co-optation to ends never imagined by their architects. I invite reconsideration of Lewin's concerns for the potential they hold in the recognition and reconstruction of domesticating programmes of employee involvement that do not meet the criteria of mutuality and robust democratic principles.

Lewin's study of group dynamics focused upon the forces at work in groups of people and the ability of groups to modify the behaviour of their members (Marrow, 1969; and Lewin 1948, 1946, 1945, 1944, & 1943). Lewin was particularly concerned with day-to-day social problems and the role of work in people's lives. However, he appears to have elevated corporate system values above those of workers. His work consistently focused upon change programmes from organisational perspectives. For example, Marrow claims Lewin considered managers have the responsibility to "direct and coordinate the behaviour of people" (Marrow, 1969, p. 168). Little emphasis is addressed toward their lifeworlds.

Over time, Lewin appeared to become increasingly interested in group dynamics, the study of interpersonal forces within groups. He studied interpersonal pressure upon members to conform to group norms. He sought to discover "how people can change their ways so that they learn to behave better" (Lewin cited in Marrow, 1969, p.158). From the tone in many of

Lewin's papers regarding group dynamics (Lewin, 1968) and from the way that Marrow presented Lewin's work (Marrow, 1969), I understand 'better' to imply toward organisational means-end objectives. Lewin suggests that through research it is possible to construct a general theory that could apply to any group. Through his studies Lewin proposed that group membership can change both a group and its individual members. He concluded that groups can become "a psychologically organic whole rather than a simple collection of individuals" (Marrow, 1969, p.168). Lewin concluded that: (1) groups that are considered to be more highly attractive have more influence upon their members; and (2) change is more likely to occur when pressure is applied upon the behaviour patterns of all group members. When such 'encouragement' is focussed upon individuals within a group, individuals tend to conform to group norms, including at personal cost.

Thus the behavior of a whole group may be more easily changed than that of a single member. This willingness to stick together ("cohesiveness") is an essential characteristic of any group. Indeed, without it, it is doubtful that a group could be said to exist at all. Lewin defined "cohesiveness" as the resultant of the forces which keep members together - the positive forces of reciprocal attraction and the negative forces of reciprocal repulsion... What renders a group cohesive is, as Lewin pointed out, not how similar or dissimilar its members are - for example, in their attitudes - but how dynamically interdependent they are. Out of reciprocal dependence for the achievement of goals there arises a readiness to share chores and challenges, and even to reconcile personality clashes... His general formulation was simple, "The whole is different from the sum of its parts: it has definite properties of its own"... Belonging is signified by adherence to the group code. Those who belong "obey." Thus group pressures regulate the conduct of the would-be deviant member (Marrow, 1969, p.169-170, emphasis in original). Group behavior, is a function of both the individual person and the social situation (p. 171).

Therefore, Lewin argued that people form groups with those they feel a level of belonging to, or who they feel dependent upon. For example, employees who might wish to maintain their employment will accept a level of pressure from group members to conform excepting pressure to satisfy system requirements at the expense of their lifeworlds.

As an extension of his theories, Lewin (1943) conducted experiments in ‘democratic leadership training’ with lower levels of authority within business organisations. He proposed ‘democratic’ changes at lower levels are not sufficient if they are not first understood and applied at higher levels. He also proposed lower level organisation members might best be employed to ‘fact-find’ causes of industrial conflict as they are probably most immediately affected and most aware of potential causes. In being part of such research, participants might become more accepting of change. Lewin appears to advocate the utilisation of action research in his work, to enable workers to identify systematic weaknesses and management to use that knowledge to their own advantage. As Lewin put it “to gain their wholehearted co-operation later on it seems best to start the detailed fact-finding here... Not all the operators but only those who did the most complaining were consulted” (Lewin, 1944, p.132). The previously considered trouble making participants were ‘encouraged’ (co-opted) to accept organisation objectives. Lewin recognised their group leadership potential and sought to ‘redirect it’ toward what were considered (by management) to be more desirable goals (p. 132-133). Lewin’s change management model is taught in business schools and practised in organisations today (McShane & Travaglione, 2005).

Between 1940 and 1946, Lewin and others studied group resistances to workplace change. They discovered that encouragement to participate may reduce resistance to change. A three-phased experiment was conducted at the Harwood factory in 1947, after Lewin’s death. Change was implemented through three different levels of employee participation. The first group did not participate at all. The second group appointed representatives who met with management to consider the nature and approaches to the proposed change. And the third group included all members of the organisation who meet with management to take an active and detailed role in designing the changes. The groups that participated most fully had the

least drop in production over the change period and subsequently increased production by 14%, during which time no staff left, all staff worked productively without aggression. “The motivation and morale of each group was apparently proportional to the degree that it [perhaps felt that it] shared the decision making” (Marrow, 1969, p.151). The outcomes appeared to be measured primarily through organisational, rather than employee outcomes.

The Harwood studies just cited serve to illustrate how Lewinian methods helped shift the focus of industrial management from mechanistic engineering approaches to social-psychological concepts. The great interest in recent years in the humanization of industry stems in large measure from Lewin’s emphasis on the dynamics of groups at work. Much of the recent research on the relationships between managerial approach, employee productivity, and job satisfaction is due to his influence (Marrow, 1969, p.151-152).

Lewin was keen to observe and hypothesise about group dynamics and workplace change. It is claimed his research was based upon the fundamental ethical principles of honour and necessity. He stated that he did not wish to train experts in “brainwashing” nor “group manipulation”, nor to be a part of any such action (Marrow, 1969, p.179). Lewin saw life as continual process of change and sought to study the variable effects of change (Marrow, 1969, p.235). However, as I have illustrated Lewin’s work can be used to create processes through which people may be controlled and manipulated through the very possibility of the cultural modification Lewin understood as possible. In the research conducted at the Harwood plant, such approaches appear to be motivated toward technical ‘means-ends’ interests, as they appear to be focused upon pre-established production goals above more human goals. I am not advocating the use of PAR in workplace settings exclusively out of a desire to enhance productivity. I do so out of a belief in the rights of individuals to have choice and voice that they might be true to themselves (their lifeworlds), while engaging in a respectful relationship with the organisations in which there is an exchange of energies and commitment for mutual benefit.

### 5.2.2.2 A practical interest

Kemmis (2001) suggests practical interest action research has “a *practical* interest in the case of *interpretive* [hermeneutic] research - that is, an interest in wise and prudent decision-making in practical situations... it also aims to inform the (wise and prudent) practical decision-making of practitioners” (p.92, emphasis in original). As such, change is driven toward functional goals, in addition to practical interest interpretive self-evaluation and self-reflection; participants work toward reflective self change, in addition to functional change.

Lewin was active in his search to find practical theories that may be used as tools to address everyday problems; his studies formed the basis of his concepts of action research and group dynamics. His slogan was: “Start strong, and the trick is to go through the doors you can open not to kill yourself trying to go through where you can’t open the doors” (cited in Marrow, 1969, p.107). Through his work Lewin sought to foster the development of new ideas, to “build a bridge between social theory and social action” (Marrow, 1969, p.108). Lewin suggested that some scientists waste years trying to solve problems that cannot be solved, he advised reformulating the whole problem and stating it a different way, an approach that is consistent with practical action research principles.

Lewin also discovered people tend to develop an enhanced link between motivation and action when we decide to do something (Marrow 1972). “Lewin believed that the decision-making process, which might take only a few minutes, is able to affect conduct for many months to come” (Lewin, cited in Marrow, 1969, p.144). He argued participation in workplace settings can have practical advantages for employers and employees. Research has since found it is linked to enhanced job satisfaction, self-esteem, motivation and well-being (Marrow, 1972).

But multi-unit companies planning to convert from the traditional authoritarian system should be cautioned that making the change throughout the entire organization can require as much as five years. Some results will be apparent quickly, but the process of change must be gradual since people need time to adjust to new methods, particularly methods that may be totally unlike any they have known before. Attitudes are hard to change and trust develops slowly...

Before introducing practices that involve employees in problem solving and decision making, many questions have to be resolved. If employees are asked to suggest changes, what will happen to their confidence in the system when a suggestion is rejected, as sometimes it must be? Will resentment follow? And what if, having invited a frank expression of opinion, top executives feel criticized and embarrassed when they hear things that might prefer not to hear? Will executives regret having asked the employees their opinions in the first place?

These are real questions and there aren't any blanket answers. But the power of participation to foster candor is one of the method's virtues. In organizations that operate in an atmosphere of mutual trust, answers to these questions can be worked out (Marrow, 1972, p.87-89).

Practical interest action research differs from technical or instrumental interest action research, in that it encourages interpretive self-evaluation and self-reflection. Through practical interest action research, participants are encouraged to engage in wise and prudent reflective decision-making towards generation of creative solutions of (sometimes everyday) problems. Such processes might enable participants to arrive at potentially life changing emancipatory decisions. As suggested by Marrow (1972) above, in order to engage in creative reflective processes, inter-subject trust and understanding is paramount, including organisational openness to critical self reflection. Faking openness in order to 'persuade' participants to accept organisational objectives, as in the case of technical or instrumental interests, can result in a breach of trust with negative consequences.

There is sufficient insight through the ways in which Lewin's ideas have been developed in the organisational disciplines, to suggest that action research, applied uncritically in a context of corporate capitalism, may be used to engage employees in the intensification of their

exploitation without specific attention to its overall effect on the lives of people and the environment that sustains us. My observation is drawn from the consideration that wisdom and prudence are, of course, paradigm specific. An apolitical instrumental approach to research – presented as practical –in an environment that purports to be focussed on technical efficiency in the interests of organisational sustainability, profit maximisation, or organisational growth (imputed to mean the interests of all – if only – perhaps at the most abstract sense of corporate success underpinning a global economic success with a trickle down outcome) ‘makes sense’ and might be considered prudent and practical. However, such an interpretation would be vehemently opposed by critical theorists if it was not accompanied by a vigorous critical consciousness with a vigilant eye on the processes of mutuality and balance of power.

Kemmis (2001) suggests there is a lot of practical interest action research implemented in our times. To the extent that the critical view of the use of action research in the intensification of the exploitative tendencies of corporate capitalism hold any validity, it becomes imperative to redress these domesticating procedures with emancipatory ones. Practical interest action research “... aims to inform the (wise and prudent) practical decision-making of practitioners” (p.92) – potentially driving change toward functional goals of a system but leaving the system itself unexamined. Practical interest action research, however, also calls for interpretive self-evaluation and self-reflection. It is here that the seeds for a more critical application of the process can be nurtured. It is to Kemmis’s third view of action research I now turn.

### **5.2.2.3 An emancipatory interest**

Kemmis (2001) suggests there are fewer critical, or emancipatory, action researchers than there are those who take up the other forms presented here. Through emancipatory interest

action research participants work to enhance their self understanding, and self critique, toward emancipatory outcomes. In so doing they strive toward functional goals, in addition to critique of their situations and constraints.

This kind of action research aims at intervening in the cultural, social and historical processes of everyday life to reconstruct not only the practice and the practitioner but also the practice setting (or, one might say, the work, the worker and the workplace). ... It aims to connect the personal and the political in collaborative research and action aimed at transforming situations to overcome felt dissatisfactions, alienation, ideological distortion, and the injustices of oppression and domination (Kemmis, 2001, p.92). ... We feared that our advocacy for critical action research had become a 'solution' looking for 'problems' – that we had an 'answer' to questions that people were not necessarily asking for themselves... Our role in helping with the development of the critical approach would be subsidiary to the end of addressing felt dissatisfactions and injustices, not as an end in itself (Kemmis, 2001, p.93).

Kemmis (2001) proposes that “others cannot do the enlightening for participants; in the end, they are or are not enlightened in their own terms” (p. 91). Participants' must strive for and be guided by their own emancipatory interests; researchers can only offer lenses through which participants might consider their situations. Researchers are advised to not attempt to impose emancipation upon participants, no matter how sincere they might consider such actions.

As a critical researcher I wish to resist the potential harnessing of action research to supporting instrumental unitarist management objectives and techniques that persuade participants to 'obey' organisational requirements through group pressure. This is not the focus of the action research that I pursued in my fieldwork. Rather due to my emancipatory interests, I focused upon the power of agreement (see the 'Discourses of Capitalism and Employment' Chapter Two) through communicative action toward mutually agreed goals. In its more emancipatory form, action research offers principles and practical methods through which people might collaboratively identify issues that are of concern to them, and work toward addressing such issues through creative processes of enquiry and reflection.

Critical management researchers, Alvesson and Deetz (2000) advocate consideration of “questions such as whose goals will count for how much” (p. 45). They recommend that theories must be “assessed in light of the kind of society we wish to [co] produce” (p.45). I argue there is a place for PAR within organisations when implemented toward but not imposing emancipatory objectives. Through my review of Lewin’s work I urge researchers to consider potential (possibly unintended) outcomes of uncritically applied action research. I suggest that we might invite our participants to do so also.

Bryceson, Manicom and Kassam warn that the PAR could degenerate into “social espionage” and revert to the traditional model where “oppressors research the oppressed” (Nicholaus, 1972, p.52, cited in Bryceson, et al. 1982, p.81), but in which the oppressed, through their engagement in the purportedly participative processes, provide the information that may be used to control them. Rahman (1991) also reported that PAR is being “coopted as a methodology and a jargon without necessarily subscribing to its ideology” (p. 15). The underlying assumptions and motivations of those who implement PAR seems to hold the key as to whether it might be utilised toward technical instrumental means-ends interests, practical interest, or implemented toward more emancipatory interests.

Are participative techniques applicable in all kinds of companies, or only in those with certain characteristics? The crucial question, it has been found, is not the nature of the product, the service, the size, location or any other objective consideration. Rather it is the attitude of the key executives toward a major change away from bureaucratic management practices. A participative system can succeed only if traditional attitudes and values are unfrozen. Openness to change must be stimulated, trust must be increased. These processes should start at the top of the organization, although it is occasionally possible to begin at other levels (Marrow, 1972, p.87-89).

Lewin was concerned that his work not be used to champion one-sided doctrines. I argue it can be utilised toward enhanced critical understanding of the principles of collective behaviour within organisations. Lewin and Marrow were aware of the potential impact of key executives' attitudes upon openness to change toward increased participation. Motivation for change generally rests with "key executives" within organisations as Marrow (1972) proposes above, emancipatory interests can be inhibited by executive members within organisations.

Critical theorists alert us to the potential co-optation of participative management practices (Deetz, Grim, & Lyon, 2003; Alvesson & Deetz, 2000; Humphries, 1998a; Gastil, 1994; Barker, 1999 & 1993) and generate a hope that through deabsolutizing of management practices through critical enquiry, a level of human emancipation and therefore enhanced well-being in the workplace can be achieved. Through such processes, participants are able to express their aspirations through democratic engagement (de Jong, & van Witteloostuijn, 2004; and Powley, Fry, Barrett & Bright, 2004). From these considerations, I aspired to conduct emancipatory interest action research methods, particularly the approach of participant-led enquiry and open dialogue that embraces diversity. PAR offers participants potential to bring together "action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues" (Reason & Bradbury, 2001, p.1). Fals-Broda (1991) argues PAR is socio-political. Through its use, participants might realise their own emancipatory abilities. I extend the argument, proposing that through practical/emancipatory action research we might challenge imbalances of power reinforced through hegemonic notions embedded in historical knowledge.

Lewin was concerned about the power dynamic demonstrated in the growing Nazi regime. I am interested in the relationships between capital and labour as mediated by managers. If this

relationship is to be respectful and balanced (if that is a possibility) it would follow from this argument that recognition of one's legitimate position in the capitalist scheme of things as a human being, not merely as an instrument of production, is the link. Supporters of the contemporary form of democracy espouse that freedom is somehow achievable through engagement (in capitalism). The pressure on opening markets to comply with democratic values would suggest the relativity between democracy and capitalism is seen to be mutually dependent. Neo-liberal forms of capitalism, according to critical theorists are adept at domesticating minds and harnessing energy in ways that contradict the emancipatory ideals of democracy. I make explicit my interest in devising research processes that might address imbalances of power embedded in employment relationships toward human emancipation, where all participants might engage founded upon their legitimate reciprocal rights to do so.

I suggest my fieldwork differs from Marrow's instrumental interpretations of Lewin's work, due to the differing philosophical assumptions from which we commence our research and the areas to which we direct our attentions. Based on the concern derived from my reading of the critical literatures, I wished to co-create a research situation with participants who sought to understand and enhance their workplace well-being. I implemented my fieldwork from 'practical' interest while hoping for a participant lead move towards a more 'emancipatory' interest PAR. At the macro level the predominant economic paradigm from which most western people derive their livelihood is capitalist. An increasingly corporate form of capitalism is being accelerated through the frameworks generated by globally influential institutions. At micro levels I look to PAR and its potential to engender change through which we might move toward more inclusive means of production for human flourishing (Reason & Bradbury, 2001).

### 5.3 ETHICAL CONSIDERATIONS

Researchers' general concerns regarding ethical conduct are articulated in paradigm specific protocols. Ethical considerations in predominantly positivistic research methods generally focus upon researchers studying subjects to test the researcher's predetermined objectives. PAR requires a different set of considerations. PAR is participant-led (Coghlan & Brannick, 2002), although such participation may differ in degree and focus - as expressed in the work of Kemmis (2001). As consequence of PAR processes, particularly those focussed on achieving emancipatory change, some ethical considerations can be considered only as the participants shape their concerns, interests, and intended processes. Ethical issues in this research paradigm are necessarily 'emergent'. Specific ethical considerations arise for the researcher because participants may or may not desire or feel able to engage in the direct challenge of abusive power in their workplace. Imposed liberatory activities are therefore an oxymoron. Not only can a researcher not determine the extent to which others should engage in reformist or revolutionary activities, they cannot insert liberatory intent into the activities of others.

Coghlan and Brannick (2002) argue that in action research ethical considerations should be focused upon "not only not deceiving or doing harm [as in all research], but being true to the process" (p. 73). Ethical considerations in action research "involves authentic relationships between the action researcher and the participants in the research" (p. 72). The role of researchers in action research is to facilitate in preparation of "a space for enquiry to occur and for participants to occupy" (p. 72), a 'communicative space' as Kemmis (2001) termed it. However, it would be inconsistent with the emancipatory position of critical theorists to persist with action research that is demonstrating domestication or exacerbating levels of exploitation. Researchers who persist with such projects can be implicated in the support of

an exploitative regime. It is thus beholden on us to articulate our concerns where we see exploitation, manipulation or domestication. The emancipatory objective of democracy requires us to be political, outspoken and advocates for justice.

Sotiros (1993) considers that people can choose to move beyond limitations and restrictions that concern them. People are able to understand their worlds and actively change them as they see fit in creative and compassionate ways. Those critical theorists who take a normative position not assuming value-free relationships sometimes also take a proactive position to “show people how the world [c]should be and how to achieve social goals and, in general, how to change the world” (Sotiros, 1993, p.37). Alvesson and Deetz (2000, p.89) view the lifeworld as “fully rational” when communicatively achieved interactions are not based upon contingencies of power, asymmetric gain, or from unquestioned cultural traditions. As discussed in Chapter Two, Deetz (1992) argues conflict is beneficial when it evokes a level of public concern and critical discussion toward more inclusive decision-making. Further, Deetz, Grim and Lyon (2003) recognise the importance of conflict to enable participants to critique decision making processes and to heighten an awareness of other perspectives. External colonising powers and self interest might be challenged through conflict generated critique, enabling participants to become more aware of political and personal influences. Critical researchers must risk the generation of such tensions, with due respect for the safety and intelligence of their collaborators. In Chapter Four I argue task, cognitive or process conflict (Jehn & Mannix, 2001) may facilitate rigorous co-enquiry through PAR as these forms of conflict draw participants focus away from interpersonal differences toward (inclusive) decision making. As such, decision-making “becomes based on the strength of the good, well-grounded argument provided in an open forum rather than authority, tradition, ideology, or exclusion of participants” (Alvesson & Deetz, 2000, p. 90).

I work to bring to view a connection between the interests in the enhancing of democratic processes as expressed by Lewin and Habermas's concepts of communicative action centred on ethical understanding through sincere verbal and non-verbal dialogue. Sincere dialogue can facilitate enhanced interpersonal understanding and development of our lifeworld(s). As discussed in Chapter Four, Habermas argues we might achieve ideal speech situations when we engage in communication centred on enhanced understanding, founded upon mutual trust. When we engage with others toward that ideal, knowing that our understandings could be in error, we can test (the rules of) our engagement through communicative action. Habermas (1971, p.p.180-181 [1965]) argues that participation through communication is the key to understanding, not empathy. Empathy merely enables interpreters to enter into 'solitary reproduction', a position that Habermas considered to be another form of observation, one which might meet empirical requirements but not those required to achieve understanding through communication. Participation provides very much more. I suggest it facilitates deeper levels of engagement and therefore, potentially, deeper levels of understanding. Habermas offers hermeneutic understanding as a vehicle through which we might work together through communicative processes toward tangible interpretations in the hope that we might achieve enhanced understanding of the (hegemonic) assumptions we are embedded in.

Realising people see things differently and have different objectives, my overall fieldwork goal was to enhance understanding through undistorted communication. I hope my philosophical and methodological assumptions were adequately tested and challenged by the participants by employing methods designed to encourage them to take the lead. I view PAR as channel through which participants might choose to work with me through critical co-enquiry, demystifying and challenging the power of forceful relationships in our lives. Along with Kemmis (2001) I do not offer critical action research as a "'solution' looking for

‘problems’” (p. 93, emphasis in original). Therefore as the fieldwork that contributed to this thesis was researcher initiated and participant-led, I sought to work through a practical interest application of PAR to avoid imposing my perspectives upon the participants. The ethical implication generated from a critical paradigm is a mandate to work towards emancipation. In establishing the PAR project I hoped that some participants might choose to consider and address their emancipatory interests, but I did not require that of them. I worked instead to enhance communication and understanding so that the participants might be adequately informed in their decision making processes. The ethical issues that arose included the unavoidable imposition of my analysis through the researched paradigm. In my conversations I encouraged participants to consider their decisions through a critical lens. The specific protocols of research ethics I undertook in this research are described in the next chapter.

## 6 METHOD

The employment relationship impacts upon the well-being of people within societies directly and indirectly. In capitalist economies this relationship is founded upon a fundamental imbalance of power (Wilson, 1997). The literature informing this thesis alerted me to potential co-optation of participative management practices. It also encouraged me to hope that by deabsolutizing management practices through critical enquiry we might achieve a level of emancipation and therefore, enhanced well-being in the workplace. I sought to introduce PAR methods, focusing upon inclusive participant-led enquiry and open dialogue embracing diversity in order to bring together “action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues” (Reason & Bradbury, 2001, p.1).

In Chapter Two I explored aspects of the work of Deetz (1992), Alvesson and Deetz (2000), Deetz, Grim and Lyon (2003) concerned with investigating relationships between purportedly ‘participatory’ employment practices and the exploitative effects that arise when capitalist processes are (mis)represented as a unitarist discourse. Such exploitation may arise, in part, through the domesticating or hegemonic effects of this unitarist discourse when it is embedded in the common, everyday understanding of workers, managers and citizens alike. The use of PAR to support organisational effectiveness or efficiency and institutional growth or profitability without a recognition of the power differential between corporate and employee interests could generate the disciplinary effects associated by critical theorists with employee participation programmes of various kinds.

While the perceived usefulness of action research and participatory action research are well established, the methods by which such research might be conducted vary, as do their outcomes. Emancipatory participative action research discussed in Chapter Five is the

methodological foundation of this thesis (Kemmis, 2001). I am interested in the use of dialogue in the processes of emancipation (Habermas, 1971 [1965]). In keeping with these methodological aspirations, I established a PAR process of engagement through ‘the echo approach’, based on the principles of cooperative and collaborative enquiry. The echo approach, derived from a research method developed by Alex Bavelas, is a semi-structured means through which PAR principles might be introduced and modelled to encourage participant interaction, dialogue and enhanced understanding (Cunningham, 2001).

I aspired to honour the emancipatory ideals expressed in Habermas’s notions of communicative action, respect for diversity and a relational ethic toward what he calls “truth, rightness and truthfulness” (Habermas, 1990, p. 90). I sought a research method through which I might “portray the insiders’ perspective[s]” (Jermier, 1998, p. 240). My intention was to centralise the voiced concerns of my participants in this research, to record faithfully our conversations and to report my reflections on my own participation and changes of insight. Centralising participants’ perspectives, concerns and voices is important for both participative enquiry and critical research. We agreed to use the ‘echo approach’ demonstrated by Professor Cunningham (2001), this method of participant involvement is more fully discussed in section 6.2.2.

Through the research reported in this thesis I sought to discover the extent to which I could introduce PAR with its attendant pluralist interests and emancipatory ideals in a workplace setting characteristic of late capitalist, multi-nationally owned manufacturing firms. While alerted by the literature to the complex workings of power, I entered the organisation with an intention to understand the organisational dynamics from the lived experience of the employees. Where in Chapter Five I focused upon methodological issues associated with

PAR, in this chapter I focus upon methods through which I introduced participant engagement to the firm, our overall research design and ethical approval. I then provided an outline of how we applied PAR within the fieldwork.

## **6.1 PARTICIPANT ENGAGEMENT**

Hegel offered phenomenological experience (self-criticism/ self-reflection) as a critique of knowledge, and in so doing sought to disperse the normative conception of science and the ego. Hegel's concept of the phenomenological experience offers no absolute fixed points, but instead offers critical consciousness as a vehicle to enhance reflection. Habermas (1971) suggests that through hermeneutic understanding we may interpret communications and perform linguistic analysis, however such understanding “has the status of hypothesis and does require corroboration” (p. 173). Therefore, he argues we need to re-experience (reflect upon) our understandings to achieve meanings. Hermeneutic understanding takes “individual life experience” (p. 162) in its richest sense and creates expression through the general categories of language. Building upon such considerations, I introduced the echo approach to PAR that the participants and I might engage in a critique of our knowledge through self-criticism and self-reflection.

White describes the concepts of first-person research which “can be understood as a process of explicitly developing inquiry practices to examine personal experience”. Second-person research “creates a community of learning through interpersonal dialogue and other forms of conversation with others”. Third-person research “can be understood as participation in a larger community where personal interaction may not be possible, and includes writing and other processes for documenting inquiry” (2004, p.130). I integrated reflection on all three levels into my research. Participant perspectives were generated and gathered through focus

group interviews (first-person research). I engaged in conversations with the focus committee who analysed the perspectives with me as we engaged more consciously in co-research (second-person research). Examples of first-person and second-person research are presented in Chapter Seven. I analysed the overall project with an eye to evaluating PARs potential to facilitate our libratory intents (third-person research). I offer my third-person evaluations in Chapters Eight and Nine.

### **6.1.1 Participant led cooperative enquiry**

Cooperative enquiry, or collaboration as it is sometimes termed, encourages informality and participation in decision making in the research process. Participants and researchers work together to develop openness to sharing new ideas and to develop their PAR skills (Cunningham, 2001).

Bryceson, Manicom and Kassam (1982) argue the PAR approach arose out of a critique of the positivists' assumptions regarding the relationship between researchers and the researched. Rejecting the possibility or desirability of aspiring to notions of neutrality and objectivity, they contend PAR embraces a wide range of research practices and political ideologies. Recognising its principles are general in nature and vary in their degree of political activism, they identify five broad features to PAR: (1) a commitment by the researcher to the participants; (2) a close involvement by the researcher with the community of the participants; (3) a problem centred approach which seeks to resolve and transform; (4) an educational process for the researcher and the participants, seeking action to solve social contradictions; and (5) its fundamental principles are based upon respect for the participants and their ability to produce and analyse their own knowledge. The idealist nature of PAR at the micro level and its practical elements are noted, suggesting it is the application of solutions to problems

which ultimately test their validity and the validity of (participatory) action research.

Participatory action researchers generally maintain participants own the knowledge generated and are therefore obliged to return knowledge to the participants through mechanisms which are accessible to all. Through working along side participant action researchers, participants are provided with opportunities to expand their perspectives while embracing pluralistic principles and practices through dialogue (communicative action) realising the ‘power of agreement’.

Dickens and Watkins (1999) suggest (P)AR moves through spirals of planning, action, evaluation of such action, ongoing monitoring and adjustment as participants deem required in response to their environment(s). Participative action research team members collect initial perspectives, analyse them and generate possible solutions to identified problems (planning). Through such processes members enhance their understanding through review and analyses and represent that meaning to their community. Feedback may act as an intervention itself, or action researchers may implement more structured actions that create changes within the system (action). Interventions can be considered experimental, as action research team members test the effects of the changes they have implemented by gathering further perspectives, evaluating their results, and reformulating their thoughts or redefining the problem (evaluation). Action researchers continue moving through such cycles until they have exhausted the problem(s) that they had initially identified (ongoing monitoring). Completing one cycle might adequately address the participants’ concerns. More likely, though they might go through several iterations of problem identification and solutions before the problem(s) are fully identified and addressed (Dickens & Watkins, 1999, p.132). A cooperative learning spiral is thus modelled and anticipated as the participants identify their motives for change

and the directions such change might take. Participants in my fieldwork found Dickens and Watkins model a useful initial representation of the PAR process.

Brydon-Miller, Greenwood, and Maguire (2003, p.p. 19-21) suggest action researchers share key traits. They suggest action researchers “incorporate democratic, participatory, and experiential methods” (Brydon-Miller *et al.*, 2003, p. 19), I strove to communicate my commitment to these principles by encouraging spirals of participant led research. “Tenacity seems to be a shared trait among action researchers” (p. 19), I sought to exhibit tenacity and commitment through my engagements with the participants over a two year period, including some significant tensions described in section 6.5.2.1. We worked together on a range of projects and engagements which we evaluated together. “We all can, and must, do our part to contribute to the goal of achieving greater social justice and each of us brings a unique set of experiences and talents to the task... we’re basically a hybrid of scholar/activist in which neither role takes precedence” (p. 20). I sought to open up opportunities for change as directed by the participants toward their enhanced well-being. “Those of us who define ourselves as action researchers are not the world’s greatest rule-followers... On the other hand, we do tend to be practical and concerned with achieving real outcomes with real people” (p. 20). The emergent nature of action research excited me. I aspired to work cooperatively toward creative practical, useful, outcomes, as directed by the participants’. “It helps to be patient. Building trust in communities that have every reason to be wary of outsiders and especially of academic outsiders doing research is a long-term project. ... but the impact of the project on the community and the richness of the insights generated in their work together are testament to the value of such patience” (p. 20). I sought to engage with the participants and demonstrate trustworthiness through ongoing commitment to them and the project even in times of institutional pressure. “We also tend to be optimistic” (p. 20), I went into the study

fully anticipating the participants would want to work toward enhanced well-being in their workplace. “It also helps to be able to handle a certain degree of chaos, uncertainty and messiness... You have to be willing to be wrong, to trust that other people know their own lives and their own interests better than you do” (p. 21). The principle that the project was participant led was central to my work; I consider them experts in their environment. The fieldwork was a journey of co-discovery.

### **6.1.2 The echo approach as an introduction to PAR**

The ‘echo approach’ to action research was developed by Alex Bavelas, a student of Lewin’s (Cunningham, 2001). Researchers listen to and learn from their participants unique perspectives, direct and honest communication between those involved in the research is essential. Transcripts of conversations are presented in the participants own language to present their feeling and beliefs through their own words. Professor Cunningham (2001) argues, when issues are described in the terminology and sentiments of those who originally described them, participants’ positions are represented more accurately and are potentially more relevant and perceptive. Researchers do not assume to ‘correct’, edit, or refine the participants’ language. Thus the views, thoughts and feelings of participants are echoed. Professor Cunningham (2001) explains further in the following quotation:

Awareness is the first step to problem solving and change. The Echo approach is a way of observing, quantifying, and describing what people value and believe. It is a way of describing the patterns of value and influence that are felt, verbally expressed, and often acted upon in groups or organizations. When we understand these patterns, we have a greater comprehension of people, are able to better communicate with them, and are more effective in developing a [cooperative] program of change (p. 4).

Designed to be linked to the needs of people in their own settings, the echo approach is dependent upon teamwork between people who may hold different perspectives. It also requires creativity and willingness to try new approaches to participant requirements. It is an

approach to be utilised to solve real-life problems through group collaboration to develop theories and to make changes (Cunningham, 2001).

Echo approach methods are not predefined at the beginning of the research; instead they are developed collaboratively between the participants and the researcher(s). Professor Cunningham considers members of an organisation are best equipped to identify and address problems that may exist. One approach is to establish a steering committee of volunteers from an organisation to work collaboratively on behalf of, and with, members of the organisation. The first goals of a steering committee are to establish its needs, goals, justifications, and expectations. Openness to new ways of looking at things is encouraged in a quest to find new solutions to old problems. An assortment of open-ended and closed questions may be developed by a steering committee of representative members, which may then be utilised to interview or survey other participants. Such questions are termed 'echo questions' as they are designed to identify individuals' values and beliefs through an open confidential method of questioning. The responses can be categorised and sorted by members of the organisation and, or, the researcher. Through such processes researchers hope to enhance commitment to projects and to initiate dynamic cooperative enquiry (Cunningham, 2001).

Participants and researchers can work together or separately to sort the responses to echo questions into common categories. The sorting process requires intuitive consideration of participants' responses so that a collective view of the issues or problems in an organisation might be achieved. Participants might then assist organisation members to identify solutions to such issues or problems through ongoing processes of participative enquiry. Or, for example, questionnaires might be developed in consultation with the participants to measure their perspectives regarding different issues linked to their environment. These questionnaires

feature the participants' own terminology as presented in their responses to the echo questions (Cunningham, 2001).

Professor Cunningham (2001) uses an iceberg as a metaphor to describe participant perspectives. Generally 90% is hidden from view. Through (P)AR implemented via the echo approach, researchers hope to enhance understanding of participant perspectives that might otherwise be hidden from view. Through such processes, participants engage in identifying issues and propose, trial and evaluate potential solutions to those issues. It is hoped that (P)AR, implemented through the echo approach might nurture commitment to collaborative enquiry through trust in the researcher and the research process, clear methods and expectations, participative decision making, and genuine interest in the project participants.

PAR is achieved over time through participant interaction and dialogue. Such processes, however, are generally costly in terms of time - a factor that is of concern in most financially motivated organisations. I introduced the echo approach as a semi-structured means through which PAR principles might be introduced and modelled. The process that I implemented encouraged participant interaction, dialogue, and enhanced understanding relatively effectively and efficiently. It provided an entry point that proved acceptable to organisational efficiency requirements, while introducing PAR to the participants. A steering committee of organisational representatives volunteered to represent participants and to encourage participant engagement in our different action research programmes. To enable multiple points of entry into our projects to organisation members I invited formal and informal leaders from within the firm to join and critique our projects.

## 6.2 OVERALL RESEARCH DESIGN

I introduced the participants to the principles and practices of PAR through the echo approach. Under the direction of a participant steering committee of volunteers, focus group interviews were conducted yearly (twice in total) with all available core staff. After each set of focus group interviews, and after the more major larger projects, I wrote reports for staff and management. The participants and I moved through spirals of PAR co-enquiry, education and action - gaining skills and tested our methods and directions as we worked. For some of us, our engagements moved toward increasingly emancipatory PAR spirals of learning and development.

The research entailed the design of an umbrella program of PAR which consisted of establishment, guidance and evaluation of several smaller action research projects with all levels of staff. The research projects focused on participant-led attempts to achieve specific workplace changes. The projects included: 1) redesign of the computerised timesheet record system, 2) staff presentations at meetings to improve communication and interpersonal understanding, 3) development of a 'one stop shop' for technical information, 4) debriefing after completion of projects, 5) a review of the remuneration system, 6) development of a library of resources, 7) input into a quality assurance programme, 8) improved signage, and 9) interpersonal interactions – social and work focused. I sought to model participant-led enquiry, in the hope that the participants might value co-operative principles and continue using PAR after my project was completed. The evidence of the success of this process lies in the way in which not only the collaborative projects unfolded, but in the instigation and completion of projects in which I had no participation at all.

My philosophical goal in engagement with the participants was to demonstrate that knowledge is socially constructed that through this understanding they might realise their capacity to inscribe new meaning and new outcomes to their lives. I worked to maintain my dependences upon participant contributions. Once relationships were established, participants set directions. I sought to guide rather than lead; consequently I asked questions and encouraged contributions. When participants asked for direction, I sought solutions with them while maintaining awareness of potential co-optation or unexpected outcomes associated with their choices. In opening and supporting the possibility of change, I sought to demonstrate the emancipatory potential of engagement.

The steering committee planned and implemented echo approach evaluation processes to identify the needs, concerns and wishes of the staff. From the initial research, a range of areas of interest were identified by the staff where they felt they might work together through PAR. The steering committee then led project groups to generate possible solutions to the areas staff had identified. For example, through the pilot test of the redesign of the computerised timesheet record system, the steering committee sought to introduce solutions which were identified and arrived at through participative enquiry. They also used PAR enquiry to measure the degree to which they had addressed the identified needs. Reports were produced by myself, in consultation with the steering committee, offering feedback to management, the steering committee and staff in general. In part, the reports served as interventions; they also identified areas where additional actions might be required. Overall we learned together through discovery as we honed our application skills of participatory enquiry in a workplace.

### **6.3 ETHICAL APPROVAL**

De Laine (2000) argues that researchers have a responsibility to explain potential consequences of participation in research to prospective participants. Throughout such communications, researchers must be cautious that in their enthusiasm to establish their fieldwork they avoid (inadvertently) pressurising participants to agree to engage. “Negotiation within a research process is about relationships between parties with vested interests and unequal power” (De Laine, 2000, p.123). Steps must be taken to caution and protect participants, including their privacy and to establish appropriately agreed ownership, direction and use of the material generated. Most importantly, space must be given for participants to consider the project and to withdraw at any point without pressure.

The general concerns with ethical conduct of researchers are articulated in paradigm specific protocols. The emergent nature of research processes associated with participatory enquiry requires ethical considerations to be consistently under review. In this research, the specific ethical protocols of the university were accepted as fundamental for the research. For the purposes of my fieldwork, ethical approval was gained in May 2001 from the University of Waikato Ethics Committee. The University’s protocols included general information regarding the nature of the research, its methodology, and expected outcomes. I provided the Ethics Committee with specific information regarding my proposed contact with the participants’. I also explained the methods through which I wished to gain informed consent and participant approval to engage in the fieldwork in their place of employment, while avoiding the possibility of external incentives and/ or compulsion upon participants to be involved in the study. I confirmed that participants were able to withdraw from the project at any point, consented to publication of my observations and findings, gave assurances of anonymity to the participants and assured confidential storage of my documentation.

In my initial contact with the firm where my fieldwork was to take place I explained the University of Waikato required ethical approval for the project. I then explained the ethical approval procedure to the firm's employees, who agreed with me that it was an important foundation upon which to base the project. Once this discussion was concluded, I gained formal ethical approval for the project from the Waikato Management School's Ethics Committee. Next I approached the manager of the firm who signed the ethical approval documentation on behalf of the firm and his staff. Later when the steering committee was established and before the participants became key participants in the project, I also gained signed ethical approval from each of the steering committee members to participate in the research. They agreed they would keep an ongoing log-book of their impressions and thoughts regarding the research, extracts from which I might use in my thesis, papers, publications or lectures. Over time it became apparent the key participants did not keep log-books of their impressions. I did not attempt to pressure them to do so, but instead on completion of the project I gained their approval to conduct exit interviews with them that they might share their reflections of the project in oral rather than written form.

At no time did I knowingly exert pressure upon any of those that were invited to be participants in the project. I created opportunities for the participants (including those who I later discovered were designated by management to participate) to refuse to be a part of the project (overtly or covertly) or to withdraw if they saw fit. I explained in writing and in person that the participants could withdraw from the project at any time and that I would not approach them regarding the research if that was their wish. Some members gave permission for me to name them in my writings, but as the manager did not give permission for the firm

to be named, I decided that in order to protect the identity of the firm I could not refer to any participant by name. I discussed this decision with the key participants.

In my fieldwork I focused upon the power of agreement advocated by Arendt (1970) through communicative action (Habermas, 1971 [1965]) toward mutually-agreed goals as discussed in Chapter Two. Reaching agreement may not necessarily be tension-free. Lewin noted “the power of participation to foster candor” (Marrow, 1972, p.89) as a virtue of action research. Deetz (1992) and Deetz, Grim and Lyon (2003) recommend tolerance for a level of conflict in interpersonal engagements to evoke concern, critical discussion and heightened awareness of perspectives other than those that appear obvious. In my fieldwork, these insights proved very real in my application of PAR.

#### **6.4 OUR APPLICATION OF PARTICIPATORY ACTION RESEARCH**

Next, I provide an overview of the entire project from my first proposal to the firm in April 2001, to my last involvement in March 2003, including a practical outline of my research methods (see Table 5: Project Overview). In this section, to illustrate the nature of our PAR engagements, I provide an outline of the first year of our work including our timesheet project and an attempt by management to co-opt our project. My outline of the second year of our work includes an exposé of a major shift in management strategy which caused me to withdraw from the project. I considered separating the material into sections consistent with the theory presented in the Methodology Chapter, each relating to PAR, the echo approach, dialogue and researcher positioning. However, I feel that such an approach would lose some of the multi-faceted nature of PAR, therefore, I present the work in chronological order, providing different levels of detail as I deemed appropriate. I conclude the description of the project with my reflections regarding PAR processes. Separation of action and evaluation of

processes is by no means distinct. The main purpose of this thesis, however, is to explore the extent to which PAR processes could be used to enhance workplace well-being. In order to do so in addition to considering the projects we undertook for their own sake, I work to consider the processes through which we engaged to improve the working lives of the participants. I also focussed deeply on the extent to which the reflective processes we generated affected the emancipatory insight of the participants.

**Table 5: Project overview**

- Approached the firm (9 April 2001)
- Gained ethical approval from the University of Waikato Ethics Committee (May 2001)
- Gave a presentation to the manager and HR manager (4 May 2001)
- Gave a presentation to the Management Team (10 May 2001)
- Gave a presentation to the staff (10 May 2001)
- Requested volunteers
- Established a Steering Committee
- Held regular meetings: weekly, two weekly, monthly (first meeting 18 May 2001)
- Gained organisational approval to conduct the research, the ethical approval documentation was signed by the manager (29 May 2001)
- Gained ethical approval from the Steering Committee, the documentation was signed (May- July 2001)
- Sent informal emails to the Steering Committee members before each meeting
- Invited participant involvement
- Modelled participation
- Conducted echo approach focus group interviews, data analysis and reports
- Engaged in participant led projects
- Centred upon participants' perspectives to engagements
- Offered suggestions to the manager
- The manager moved to a new format (August 2002)
- I conducted exit interviews with the members of the Steering Committee and some managers (September to October 2002)
- My last engagement with the participants was in March 2003

#### **6.4.1 The first year of work 2001**

In 2001 the firm was going through a series of changes to its production and management structure. Through a colleague I had heard that communication breakdowns had reached crisis point within the firm between staff and management. The manager was becoming aware of

his staffs' discontent when they came to his office to resign. On 9 April I approached the firms human resource manager with my research proposal. Highlighting my thesis title 'In search of Well-being in the Workplace' and the consultative nature of my proposed work I made myself available to develop a PAR change management program, in consultation with staff and management. My offer was twofold: first as a means to assist staff to address some of their concerns, and secondly to provide myself with access to fieldwork that would contribute to my Ph.D. thesis. The two commitments would provide the practical application of my thesis intent; to explore the extent to which PAR could engender emancipatory processes and outcomes.

I was invited to return to the firm on 4 May 2001 to lay out my proposal to the human resource manager and the manager of the firm. I explained the co-operative, emergent, nature of PAR through which participant led goals can be investigated, implemented and evaluated. The manager was willing to allow me access to the site and his staff in order to conduct my work. He invited me to return on 10 May 2001 to present my proposal firstly to the management team and then to the general staff. At the meeting with general staff I invited people to volunteer to form a 'steering committee' who would take an active role in the project. Seven staff agreed to participate. I was fortunate to have the support of Professor Barton Cunningham in the initial stages of the project. He is well versed in action research (Cunningham, 1993) and the principles of the echo approach (Cunningham, 2001) and he was keen to support me in a project that tested their application.

The following week, the steering committee met in the board of directors meeting room with Professor Cunningham and I to commence our project. The members consisted of the accountant, the financial controller, a store person, two engineers and two assemblers. Ages

ranged from mid twenties to around sixty years. All were employed full time, paid through salary and were 'permanent' staff. One participant was a woman. Much later I learned the financial controller and the woman member had not volunteered for the project. The firm's manager had 'encouraged' the financial controller by putting his name forward and the woman was influenced more indirectly by stating the need for women on the committee.

Lewin (1943) held that groups do not have to be composed of similar members. They may be a "Gestalt", a whole containing dissimilar parts. The manager gave approval for additional members to join the group as they wished. By maintaining open entry, I therefore strove to have a steering committee which represented diverse interests within the firm. I hoped an open membership would reduce the likelihood of the steering committee's efforts being co-opted toward individual or instrumental goals and also to encourage participants to audit the programme.

Professor Cunningham and I met with the steering committee (of seven) for the first time on 18 May 2001. There were nine of us involved in the project at that point. Professor Cunningham and I asked questions as a starting point to model cooperative enquiry and to gauge their focus and energy. We enquired into their areas of interest in the company and what might make it a better place. The first task of the steering committee was to learn about PAR and then to devise some projects to practice it. The steering committee and I worked together on our PAR projects over a period of seventeen months. Initially the steering committee and I met weekly, then fortnightly for nearly a year, and monthly in the second year. We conducted focus group interviews with general permanent staff members on two occasions, once in 2001 and once in 2002. The firm did not pay me for my work, nor did it reimburse me for my expenses. Steering committee members worked on our projects during

work time, but felt compelled to ‘make up’ some time for their other duties by working extended hours.

Professor Cunningham and I suggested that I conduct a series of interviews with all the staff, including managers - along the lines of our discussions – that they might share their views and hopes. He (Cunningham, 2001, pp.88-89) recommends using a battery of echo approach questions (see Table 6: Echo Questions for Understanding Staff Interests). Echo questions are designed to be balanced requesting responses for and against specific issues, open ended and generally designed to invite participants to provide their impressions. In subsequent interviews, where I conducted further echo interviews I re-crafted Professor Cunningham’s questions for more specific purposes, while seeking to maintain the nature of his original recommendations.

**TABLE 6: Echo questions for understanding staff interests**

Consider the various interests you have in the firm. We would like to ask some questions about them.

1.    a) What do you find satisfying about your working relationships with people in this organisation?  
      b) What do you find less satisfying about the working relationships with people in this organisation?
2.    a) What are some positive things you would like to happen in improving the working relationships?  
      b) What are some less positive things you see happening in the working relationships?
3.    a) Could you give some examples of things that individuals or groups do that are helpful to you in your job?  
      b) Could you give some specific examples of things that these individuals or groups do that are not so helpful to you in your job?
4.    a) What ideas do you have for improving things in the organization?  
      b) What projects do you have for improving things in the organization?
5.    a) What do you think we can do to make us [the staff] more effective?  
      b) What (w)could hinder our effectiveness?
6.    a) What are some things which you think management (s) could do to help you in your

- work?
- b) What are things which we [the staff] (s) could do to help management?
- 7 a) What projects could we as the Steering Committee take in response to some of these ideas?
- b) What projects should we as the Steering Committee not take in response to some of these ideas?
- (Cunningham, 2001, pp.88-89)

In order to maintain the momentum of our meetings I wrote up notes from each meeting, including our 'thoughts for our next meeting' and e-mailed them to the steering committee members (for an example see Table 7: Thoughts from our first Steering Committee Meeting).

**Table 7: Thoughts from our first steering committee meeting 18 May 2001**

At our first meeting we sought to identify some directions of interest. We sought to identify areas where we felt that changes were needed in the short and the longer term. In an effort to identify areas of interest we brainstormed and noted a variety of items.

It was agreed that Linda would develop some interview questions over the next week. At our next meeting Linda will conduct a pilot test of the interview questions by interviewing the Steering Committee. The Steering Committee will provide both their impressions of the questions and their responses to the questions. They will also be able to tell other staff what to expect in the interviews that we will conduct in the next few weeks with the rest of staff.

#### **Areas of interest within the company**

Areas of interest that the focus group felt could be starting points included items such as:

##### **Awareness**

- Increased knowledge of other departments' functionality
- Working together across the organisation
- Consultation about changes such as updating the computer system
- The financial department needs total access to MISYS on the 20<sup>th</sup> of each month, processing for the parent company

##### **Planning**

- More time for planning at the beginning of jobs
- New ways of creativity: where do we want to go with this?
- Social
- Recognition for a job well done, 'credit where due'
- Social integration of the two firms
- The impact of staggered lunch hours
- The working environment, smoko room, cleaner toilets, people cleaning up after themselves

**Future issues to discuss**

- Feedback on the interview schedule from the Steering Committee
- Access to staff to conduct the interviews: I (Linda) am willing to make myself available for two days of interviews
- Analysis of the responses: Linda and the Steering Committee
- Timing of the report
- Methods of communicating our findings
- Implementing our findings

On 25 May 2001 the steering committee met with me to look over the interview questions and to suggest changes as they saw fit. They made a variety of suggestions regarding the interview procedure. To test the questions and their format, I conducted a pilot test interview with the steering committee. To encourage fuller discussion I used prompt questions based upon the items raised during our earlier brainstorming session. The steering committee took a dual role, providing their responses to and impressions of the questions. This process enabled the steering committee to visualise the interview process and highlighted changes they required. The questions were made available before the interviews to allow staff to prepare themselves; a steering committee member was present at all the group interviews to facilitate discussion and to demonstrate their support for the project<sup>13</sup>. I asked them to facilitate discussion by ‘playing the devil’s advocate’ by raising topical points they were aware of and to ‘disagree’ with the discussion on occasions so as to demonstrate that a range of opinions were invited and desirable. In so doing I sought to avoid group think (McShane & Travaglione, 2005), to enrich the discussion and to model a participative pluralist approach. I found the echo approach provided a practical means to introduce PAR. The participants found the approach comfortably flexible while maintaining a systematic structure. Participant enquiry was new to them. They appeared to accept the approach as a legitimate form of enquiry leading to action.

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<sup>13</sup> The financial controller was not involved in the interviews.

I conducted focus group interviews with most of the permanent staff within the organisation on 6, 7, 8, and 11 June 2001 in the two weeks following our second meeting. Staff were invited to attend in groups of four or five people and agreed to a member of the steering committee attending each group interview. To facilitate the meeting process, several two hour time slots were offered over four half days to suit the needs of staff. The purpose of the interviews was to identify factors that interested or concerned them and to invite staff to be involvement in all stages of our PAR enquiry. Lists of our proposed questions were made available before the group meetings and two suggestion boxes were made available for a few days over the interview time. The steering committee suggested people may have wished to note suggestions they thought of *after* the group interviews. As it happened nobody used this facility, but it was important to offer the facility and to action steering committee suggestions.

In the interests of production, to avoid leaving any section under-staffed, the manager requested staff from different sections attend each set of interviews. The consequential diversity within each interview group displaced formal organisational communication norms and hierarchies. At each interview I took the time to reoutline the research, introduce myself and 'chat' for a few minutes about general things. I took this approach to encourage staff to 'switch off' from the work they had just left and to feel more comfortable talking in the focus group setting. I felt this time allowed us to relax with each other, to 'test' the rules of engagement and to engender trust.

In order to preserve the integrity of the process and to enhance the trustworthiness of the engagement, I established the ground rule that these conversations were not an opportunity to raise interpersonal issues or to speak in derogatory ways regarding colleagues. We were to focus upon issues and suggestions. At the interviews a few people referred to issues that

concerned them personally. In these instances I suggested that the person talk to their supervisor and/ or myself after the interviews as the issues were best addressed through other means.

Throughout the interviews I sought to avoid assumptions and to be sensitive to the views of the participants. I was open to new concepts and sought to demonstrate this openness through relaxed body language, friendly responses and prompting questions to enquire into points that were not clear. I provided spaces of quiet to encourage participants to expand upon their contributions<sup>14</sup>. When participants asked questions or made suggestions, I welcomed their comments including those that critiqued the project. Their questions provided opportunities to clarify our respective views, our processes and for misunderstandings to be made clear.

Professor Cunningham (2001) highlights the importance of the interview process arousing “a free and secure environment where people are clear on expectations, and where the research project articulates their values and beliefs” (p. 85). Some staff suggested they did not have a lot to offer, particularly those who were new to the organisation. Others appeared to be shy. I sensed their reservations were partially due to respect for their longer serving colleagues. I suggested their perspectives might be different, but they were equally valued to those that had been with the firm for some time.

At the meetings I asked staff to provide written responses which I kept anonymous. After the participants had recorded their written responses, I invited their comment in focus group type discussions. In order not to lead the discussion I generally asked the questions without giving specific examples. The steering committee members had agreed I ask some probing questions if the groups were not responsive and were present to ‘play the devils advocate’ to stimulate

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<sup>14</sup> For more suggestions see Cunningham (2001, p.10).

frank conversation. To avoid leading I phrased the probing questions in the negative (sometimes with a smile so they could see that I was encouraging them to say what they really felt). The groups seemed to enjoy the opportunity to talk and after a time they directed their conversations to each other rather than to me. As the participants responded to my questions they appeared to warm to the situation; their conversations gained in momentum as they listened and contributed.

During the interviews I presented myself as unobtrusively as I could. In order not to be the focus of their attention I sat at the side of the table to avoid being seen as 'the head', encouraging the participants to 'take the lead'. I did not insist on leading the conversations. I listened, took written notes of the discussions, and looked for opportunities to draw all members of each group into the discussions. On occasions, members of the groups were quiet or others cut in or talked over them. Therefore, to encourage participation, I asked quieter participants for their comments when the next space in the conversation became available.

I chose not to tape record the focus group interviews for the following reasons: some people are reluctant to be recorded; some do not talk as freely; some may not have given permission; and there is always the risk the tape recorder may not function properly. I chose instead to make written notes as that process gave the participants' time to consider their thoughts while I was writing and to take the focus off me. Instead of being the external 'expert', I became their scribe. They were generally talkative. On occasions I read back my notes to confirm I had captured their thoughts in a form they were comfortable with. Participants told me they appreciated the opportunity to be involved in the discussion groups. They felt it benefited their knowledge of other sections and people within the firm. In the days after the interviews the steering committee also received positive comments from the participants. The steering

committee reported they felt people were able to say what they genuinely thought during the interviews.

I kept staff responses confidential, entered them into a word document and did an initial sort into the fourteen question areas. As I did not know the handwriting of the various staff members, their anonymity was maintained. The hand written material was not seen by staff as they had access to the word document only. At our next meeting, the steering committee conducted a further sort of the material recorded in response to two of the question areas. As there were over twenty word processed pages of responses, time did not permit the staff members to sort all the material from all the questions in this fashion. The steering committee asked me to conduct a further sort of the material, group it and write reports with recommendations for further action - one report for the manager and a shorter copy for staff. The shorter report served as a summary of some of the initial interviews, it was used as a platform from which we based our ongoing work together. I was able to group the responses into five key areas strategy, increased efficiency through improved timesheets, interrelations between departments, recognition and accomplishments and working relationships. At our subsequent meetings the steering committee discussed the material in my reports, which I noted. Throughout these stages I used my research expertise (skills gained over time including through a Human Relations Course (Bilkey, 1981) and a Micro Counselling Course 2000) to conduct analysis of the responses. Under the direction of the steering committee, I sorted the responses into categories and sub-categories noted trends and identified representative quotes.

Throughout the process of the research the steering committee asked questions regarding my methods and assumptions. At times they asked me what 'should' happen; I responded by reminding them it was their project and I encouraged discussion regarding diverse

possibilities. As the participants engaged in discussions, their understanding and commitment to the approach appeared to increase, as did their confidence in their ability, trust in each other and myself to work co-operatively toward common goals. They talked more freely, laughed and joked with each other, offered suggestions and started to take more active roles within the project according to their comfort, skills and passions. Over time I felt the steering committee members acceptance' of both the project and myself grow. They gained a level of excitement that they could 'make a difference' in their workplace (and their lifeworlds). Some members of the steering committee offered to lead subgroups to explore potential PAR projects. Each subgroup further sorted the material and discussed options with other staff in order to research possible actions.

I noticed staff would sometimes 'test the water' by tentatively offering seeds of their ideas, at which stage they and their ideas could easily have been brushed aside. When I invited them to further clarify their concepts they gained confidence and often laid out potentially feasible, exciting concepts. Interactions would sometimes spill over into 'brainstorming' discussions (i.e. in the focus group discussions) simultaneously raising and solving issues. In order to encourage sharing and risk taking, I advocated management needed to take a new approach to their leadership and their power - the theory of which is discussed in Chapter Two, Discourses of Capitalism and Employment.

The manager held overall responsibility for the firm, and therefore the projects. As such, we were required to work within the existing structure and power 'norms' of the organisation. In addition to working to develop and model cooperative workplace interactions with the manager, I also worked to include management team members in our activities and to generate general confidence in the pluralistic co-operative concepts I was seeking to

champion. I enthusiastically explained and presented our work to managers who sometimes smiled in what seemed to be a mocking fashion. At other times they asked for further information and my perspectives regarding co-enquiry. On one occasion I had an 'eye to eye' discussion with the manager regarding the need for respectful integrity in his interactions with staff. I suggested he needed to be less critical of what he sometimes perceived as staff's 'silly' suggestions. I explained that people need to feel comfortable to grow into new roles. If he was to embarrass or punish staff in the early stages of developing their participative skills, they would be reluctant to offer further suggestions. I counselled him to be patient.

#### **6.4.1.1 The Timesheet Project**

More than twelve projects were undertaken in the context of this research (see Appendix B). A number of projects were completely participant driven, and I do not comment on these, except in so much as to indicate this independence as a vindication of the process. In this report of my work, I have selected one of the projects to demonstrate the process; the timesheet project. During the focus group interviews staff identified the timesheet record system as an area where improvements could be made for the benefit of the organisation and themselves. A variety of suggestions were offered anticipating they might protect and improve the efficiency of the firm and reduce staff stress in accessing the database to record full accurate descriptions of their activities. In general, staff raised concerns, recommended additional space for detail and questioned the accuracy and usefulness of the information previously gathered.

The timesheet project was therefore developed as a component of the overall larger PAR programme. Two members of the steering committee offered to lead a group to explore potential enhancements of the timesheets. Having gained approval from the manager for the

project to go ahead a PAR project was implemented to gain further information from staff. They e-mailed staff to invite further comments and detail of their timesheet requirements and invited volunteers to be active members of the timesheet project. Through PAR processes implemented under my guidance, staff representatives redesigned the company's timesheet content, detail and software.

Once the new programme was developed, a pilot test was designed to enable software users to enter data, assess the software and to recommend adjustments. A team of five staff conducted the 'input' pilot test over five days from 17 to 21 September 2001. They kept records of any suggestions they wished to make regarding the process. The steering committee and I developed interview questions and distributed them to the pilot testers (see Table 8). I conducted a focus group interview with the pilot testers on Monday 24 September 2001 and distributed a report to the steering committee and those closely associated with the pilot test.

**Table 8: Timesheet questions**

- How is the system better than that used previously?
- What do you like about it? Please give examples.
  
- How is the system worse than that used previously?
- What frustrations do you have with it? Please give examples.
  
- What suggestions do you have for its improvement?
- What database fields would you add?
- Which are irrelevant?
  
- How easy is it to access when working off site?
- How useful is the new software system for those who do not have a PC?
- For example in assembly, how is it for those who do not have their own designated computers.

- Do you think that the new time sheet system will take more or less time to use than the old system (after training time)?
  
- Do you have any concerns regarding the security of the new system?
- Do you have any concerns about how this information might be used?
- Please give examples
  
- Is there anything else that you would like to add?
  
- What are your impressions of the participative process in this exercise?

The pilot test group generally found the system easier to access and felt the new system provided more accurate information. Initially, most of the pilot testers found the new system time consuming, although as they became increasingly familiar with the “short cuts” they gained speed and comfort with it. There was a consensus of opinion that “over time the field meanings may be interpreted differently” and that similar data might be recorded under different headings. The pilot test group taught each other features of the system during our discussions and recommended training be provided to explain its various features.

The participants recommended further research be done into the overall security of the new system and the potential for inconsistent recording of information. They anticipated staff training would address inconsistent recording. The pilot testers’ impressions provided the timesheet project developers with specific information upon which to base their recommendations for further improvements. The timesheet project group therefore considered they had addressed the specific issues their colleagues had identified. They told me the firm had not previously conducted pilot tests of this nature and believed it was a method that had proved beneficial.

During the time the timesheet project was in progress the financial controller (who was also the financial controller for the larger group of companies of which the firm was a part) was

considering purchasing totally new software for the group of companies. Anticipating staff would not be consulted in the purchase of the proposed group software, the steering committee was concerned their work would be wasted and staff would be upset with what they perceived as “another example of lack of consultation”. We discussed our concerns with the financial controller, who encouraged us to continue our work. In his view the information gathered in our project would give useful information for either system. The financial controller reported the firm would use the staff developed timesheet system (in the short term) as it was better than the old system. He was pleased with the level of detail our system provided, 50 to 60% more data than previously gained. He anticipated the data would become more useful over time and would not be “just a management tool”, adding it would be possible to “plug over” the timesheet system into the proposed new company wide system (if purchased). The general manager had approved the project, we conducted our tests and I wrote our report. We were not briefed on the middle managers’ responses.

Those involved in the timesheet project committed significant amounts of their time and energies to it in the belief that it would improve the timesheet system for all concerned. Their efforts did not go unnoticed by management, as can be seen in the following quotation from a communication from the firm’s financial controller to its members.

*Firstly, thanks for the effort that you have put into the timesheet project. The initial draft database that [the IT specialist] and you have worked on certainly seems to be proceeding very well, and I am confident that we will achieve the key reasons we require the data:*

- 1) Better information for staff & management on resource allocation*
- 2) Financial data required for management*
- 3) Financial data for our bosses overseas*

*The above are in the order of importance that we (as the management team) see them...*

*Thanks & Regards  
Financial Controller  
19 September 2001*

I left the timesheet project to the managers with our recommendations for training and modification. During the focus group interviews in 2002 I discovered staff were struggling with some of the elements of the timesheet system which our pilot test group had identified. Training had not been provided for staff regarding the finer points of the programme and staff were not classifying data consistently. I was surprised and disappointed. This finding illustrates the importance of PAR projects being a formal component of an organisation. I believe the project benefited from my independent perspective as recommended by Van Peurse, (2005), but our work required more active and ongoing support, commitment and understanding throughout the organisation.

#### **6.4.1.2 Instrumental action in action**

As I investigated the extent to which participative work practices, through communicative action might contribute to worker well-being and resistance to domination and oppression, the need to resist patterns of domination and oppression that are the outcome of unequal power relations embedded in capitalist relations and expressed through instrumental action became a central theme of interest. During the time that I was involved with the firm, I sought to resist managements' attempts to dominate and oppress staff and to model alternative behaviours. Sometimes I was subtle in my approach and sometimes I was more direct.

One occasion I felt it appropriate to be direct was in connection with the 'Staff Performance and Recognition Questionnaire', which the financial controller implemented purportedly as a member of the steering committee. In response to staff comments, the steering committee initiated a survey to identify staff perspectives regarding remuneration and bonuses. In

February 2002 the financial controller emailed the manager and myself with a draft of his proposed survey. The manager was happy with it. I was not. It was apparent that the document was prepared by the financial controller in his management role, not as a steering committee member of our PAR project.

#### [The Firm]

### **STAFF PERFORMANCE AND RECOGNITION**

During the discussions between the Steering Group committee, the issue of recognition of staff performance was raised. In particular, the area of Annual Staff Bonus payments was raised as an area of concern to many staff. We understand that some of the common issues that are raised are:

- Size of the bonus, relative to the performance of the company
- Method of calculation and allocation of the total bonus pool
- Whether some form of recognition throughout the year would be more appropriate

The Steering Committee (with #### [the financial controller] as the Project Manager) has prepared this questionnaire, with which we hope to gain some insight to the issues that staff have with bonus payments, as well as present the view of the management on the issue.

#### **MANAGEMENT PERSPECTIVE:**

The management of #### [The Firm] is required to consider a number of business stakeholders when considering any financial decision. These include, but are not limited to:

- Staff
- #### [the division]
- #### [the board of directors]
- #### Shareholders

Bonus payments reallocate financial results within these groups, and therefore always have a negative impact on one or more of the parties. To ensure that internal management do not over-compensate staff over other stakeholders, the following restrictions are applied to staff bonus payments:

- In general, #### group targets must be reached before staff bonus payments are considered;
- Sales related bonus payments are subject to approval and scrutiny of the #### Board
- Any general bonus payments (such as those paid in the last two years) are subject to the approval of the Division President, who has the ultimate decision on whether payments are made **REGARDLESS OF WHAT RESULT THE COMPANY ACHIEVES.**

Therefore, for example, the President can approve bonus schemes in years of low results, and can decline to pay bonus payments in years of extremely high results. This is outside the control of local management staff, and there is no right of appeal on the decision made. Any bonuses are also subject to scrutiny by the auditors to ensure permission is received.

#### **STAFF PERSPECTIVE:**

Taking into account the brief summary above, we are interested in your feedback on the following questions:

- 1) What were your perceptions of the bonus payments made in the last two years (i.e. Good, Bad, Essential, Adequate, etc)?
- 2) What do you think is the fairest way to allocate bonuses in years where they are approved?
- 3) What are your future expectations on bonus payments?
- 4) If management were unable to provide a bonus, even where staff perceives that the year has been good, how would you react?
- 5) Do you accept that management (both local and overseas) have a dual responsibility where Shareholder value must be balanced against internal stakeholders
- 6) Do you think that the bonus should be tied to specific targets? If so, what targets?
- 7) Have you any additional comments that are relevant to this issue?

We would like to receive your feedback on this issue, in order for Management to be able to respond to any issues that you have. Therefore, could you please provide your responses to #### by FRIDAY 8<sup>TH</sup> MARCH. We do not need names or identification on the responses, and every response will be treated confidentially.

**Thank you for your assistance in this matter.  
The Steering Committee**

### **The Financial Controller to Linda and the Manager 19 Feb 2002**

*Linda / ##### [The manager]*

*Find attached proposed questionnaire from the steering committee. If no-one has any issues, or proposed rewording, I'll probably ask ##### [a staff member] to distribute copies this week*

*Best Regards*

*##### - Financial Controller*

*In response, I e-mailed, as below, the financial controller and the manager recommending changes to the tone and wording of the survey or I argued it could not be distributed on behalf of the steering committee. I realised the manager and the financial controller could have been offended by my suggestions and could have stopped the project. However, I felt the PAR project would become instrumental without my suggestions and if it took that direction I would have withdrawn.*

### ***Linda to the financial controller and the manager Saturday, 23 February 2002***

*Dear ##### and #####*

*Upon reading the document that ##### [the financial controller] drafted to send to staff it seems to me that he is writing it from both Management and Steering Committee perspectives. I would be more comfortable if this was clarified and the tone more participatory. I assume that you intend to show the document to the rest of the Steering Committee for comment before it is distributed to the general staff. The focus of the Steering Committee project is change through participation using Participatory Action Research principles.*

**I wonder if the third paragraph could be changed along the following lines. “The Steering Committee (with ##### as the Staff Performance and Recognition Project Manager) has prepared this questionnaire, with which we hope to gain some insight to the thoughts that staff have regarding bonus payments. The committee also thought you would like to know the position of management on staff performance and recognition”.**

*I wonder if some changes to the tone and formatting of the ‘Management Perspective’ and the ‘Staff Perspective’ sections of the document might enhance its focus. We want to encourage communication from staff to the Steering Committee and to Management. This would only require a few changes such as reducing some of the spacing in the Management Perspective section and increasing it in the Staff Perspective section; perhaps reducing the formatting in the “**REGARDLESS OF WHAT RESULT THE COMPANY ACHIEVES**” component to either bold or capital*

*letters or underline would also improve the document. I would also like to make some suggestions with regard to the following 'Staff Perspective' questions.*

*"If management were unable to provide a bonus, even where staff perceives that the year has been good, how would you react"?*

*Can you use a different word to 'perceives' such as 'considers'. Perceives could communicate a level of doubt in their judgement. Also you have stated earlier in the document that bonuses are not contingent upon outcomes.*

*"Do you accept that management (both local and overseas) have a dual responsibility where Shareholder value must be balanced against internal Stakeholders"*

*You ask staff if they accept the above statement (a closed question), therefore you will probably receive yes or no answers. I suggest that you put this up as a statement upon which you ask for comment. An open ended question is more likely to gain their impressions of the position.*

*"Have you any additional comments that are relevant to this issue?"*

*Just a small change suggested here along the lines of "Have you any additional comments that you would like to make regarding these issues?"*

*Please make the last paragraph of the paper clearer. I assume that the responses will be processed by the Steering Group and then presented to Management as per our past research. If not it may be better to state from the outset that the questionnaire is from Management in consultation with the Steering Group.*

*Thank you for sending me a copy of your paper. I hope that my comments are helpful. Is it necessary to provide any stationary or a confidential collection box for the responses?*

*Yours sincerely  
Linda Twiname*

The financial controller considered my suggestions and changed his documentation. Copies his responses follow.

***From the financial controller to Linda 4 March 2002***

*Linda*

*Thank you for your feedback on the draft of the staff bonus questionnaire. I agree with your comments contained, and attach the current draft for your review:*

*If you believe that this looks better, I will forward to the Steering Committee for comments before issuing to the staff for comment.*

*Regards*

*#### - Financial Controller*

**#### [The Firm]****STAFF PERFORMANCE AND RECOGNITION**

During the discussions between the Steering Group committee, the issue of recognition of staff performance was raised. In particular, the area of Annual Staff Bonus payments was raised as an area of concern to many staff. We understand that some of the common issues that are raised are:

- Size of the bonus, relative to the performance of the company
- Method of calculation and allocation of the total bonus pool
- Whether some form of recognition throughout the year would be more appropriate

The Steering Committee (with #### as the “Staff Performance & Recognition” Project Manager) has prepared this questionnaire, with which we hope to gain some insight to the issues that staff have with bonus payments. The committee also thought that you would like to know the position of management on staff performance and recognition.

**MANAGEMENT PERSPECTIVE:**

The management of #### [the firm] is required to consider a number of business stakeholders when considering any financial decision. These include, but are not limited to:

- Staff
- #### [the division]
- #### [the board of directors]
- #### Shareholders

Bonus payments reallocate financial results within these groups, and therefore always have a negative impact on one or more of the parties. To ensure that internal management do not over-compensate staff over other stakeholders, the following restrictions are applied to staff bonus payments:

- In general, #### group targets must be reached before staff bonus payments are considered;
- Sales related bonus payments are subject to approval and scrutiny of the #### Board
- Any general bonus payments (such as those paid in the last two years) are subject to the approval of the Division President, who has the ultimate decision on whether payments are made regardless of what result the company achieves.

Therefore, for example, the President can approve bonus schemes in years of low results, and can decline to pay bonus payments in years of extremely high results. This is outside the control of local management staff, and there is no right of appeal on the decision made. Any bonuses are also subject to scrutiny by the auditors to ensure permission is received.

**STAFF PERSPECTIVE:**

Taking into account the brief summary above, we are interested in your feedback on the following questions:

- 1) What was your perception of the bonus payments made in the last two years (i.e. Good, Bad, Essential, Adequate, etc)?
- 2) What do you think is the fairest way to allocate bonuses in years where they are approved?
- 3) What are your future expectations on bonus payments?
- 4) If management were unable to provide a bonus, even where staff considers that the year has been good, how would you react?
- 5) Do you believe that management (both local and overseas) has a dual responsibility where Shareholder value must be balanced against internal stakeholders, and how do you suggest this be best achieved?
- 6) Do you think that the bonus should be tied to specific targets? If so, what targets?
- 7) Have you any additional comments that you would like to make regarding this issue?

We would like to receive your feedback on this issue, and therefore ask for your thoughts to be communicated to the Steering Committee (who will compile a report for management). Therefore, could you please provide your responses to #### by FRIDAY 29<sup>TH</sup> MARCH. We do not need names or identification on the responses, and every response will be treated confidentially.

**Thank you for your assistance in this matter.  
The Steering Committee**

The above communications illustrate the nature of some of my engagements with the manager and the financial controller. I clarified my principles of engagement with the managers, they considered my suggestions and chose to accept them. As discussed in Chapter Five, it was important to clarify the assumptions upon which the PAR project was built. I felt general staff could not risk engaging in communications of this nature for fear of their ongoing employment. I was aware that my responses could have offended the financial controller and brought about the demise of my project; however, I felt his communication threatened to co-opt our participative project and warranted my responses. In addition, the engagements outlined above provided opportunities for me to express the participative nature of my work and to model what I considered to be more mutual communication.

#### **6.4.2 The second year of work 2002**

In March 2002 I gained approval from the steering committee and the manager to re-interview the staff. We planned to repeat the previous year's focus group interviews and to hear their impressions of the PAR project. The managers' email follows.

*Hi Linda*

*I have no problem with the interviews, only that you coordinate them with the respective managers / supervisors.*

*I must admit that I am very much letting the work you are doing with the team run its course. There have been some great results and a telling sign is the general health of the company is continually improving, even though we are extremely busy. The committee I believe has been a very positive mechanism for everyone involved and I am committed to its continuation.*

*I am looking forward to the results of the interviews.*

*Cheers,*

*[The manager]*

At our meeting on 3 May the steering committee and I finalised our proposed questionnaire.

A copy is enclosed in Table 9: Questions for Understanding Staff Interests May 2002. At the close of the meeting the manager and the financial controller called me into the boardroom in

private to tell me in confidence of their intention to lay off three staff the following week. We discussed the possibility of delaying our interviews as staff would be in shock when they heard of the redundancies. The manager and financial controller felt we should go ahead. I pointed out to them staffs' reactions to the redundancies would be reflected in their responses.

At the staff meeting for the entire firm on 9 May 2002, the steering committee made a presentation highlighting our progress to that point. Consistent with the cooperative nature of our work, all members of our group made presentations and distributed summaries of our progress, and our interview questions for the upcoming focus group meetings. The staff agreed to participate in our focus group interviews.

Many of the managers did not attend the interviews as a management retreat was scheduled for much of the time the interviews took place. At these interviews staff were more critical of management and their methods than they were in the previous year. The steering committee and I considered carefully how to report the participant's responses. We did not wish to make the reports unnecessarily long, nor to inadvertently 'edit' or 'sanitise' the responses. A report was distributed to the manager and staff.

**Table 9: Questions for understanding staff interests May 2002**

***THE PROJECT***

***We are now one year into our participative project, consider its impact at [the firm], we would like to ask some questions about it.***

- 1) a. What is your understanding of the Steering Committee participative project?  
What suggestions do you have for its improvement?  
What are some of the positive things about the project?
- 2) a. In what ways do you think the project has contributed to making [the firm] better?  
b. In what ways do you think the project has not contributed to making [the firm] better?

**THE FIRM**

The following are the questions that we asked last year. How have your perceptions changed over the last year? What do you wish to add?

- 1) a. What do you find satisfying about your working relationships with people in this organisation?  
b. What do you find less satisfying about the working relationships with people in this organisation?
- 2) a. What are some positive things you would like to happen in improving the working relationships?  
b. What are some less positive things you see happening in the working relationships?
- 3) a. Could you give some examples of things that individuals or groups do that are helpful to you in your job?  
b. Could you give some specific examples of things that these individuals or groups do that are not so helpful to you in your job?
- 4) a. What *ideas* do you have for improving things in the organization?  
b. What *projects* do you have for improving things in the organization?
- 5) a. What do you think we can do to make us [the firm] more effective?  
b. What (w)could hinder our [the firm's] effectiveness?
- 6) a. What are some things which you think management (s)could do to help you in your work?  
b. What are things which we (s)could do to help management?
- 7) a. What projects could we as the Steering Committee take in response to some of these ideas?  
b. What projects should we as the Steering Committee not take in response to some of these ideas?

*Would you like to be a member of the Steering Committee or one of its projects? Please let us know.*

### 6.4.2.1 The big shift

At the beginning of August 2002, the manager told me that he had decided to change the structure, focus and drivers of the participant project. This was a major change in the light of the earlier glowing reports I received from him. I suspected he was reacting to the upward communication his staff channelled through the recently distributed report. The manager confirmed my suspicion was correct. I attempted to discuss the proposed changes with him but he was not prepared to discuss them with me at that time. He admitted to me some of his reactions were “knee jerk” but was not willing to change his mind. It seemed all I could do was watch and be careful not to inflame the situation further. I did not want the participants’ employment situations to be harmed. He treated me courteously and allowed me to continue to have contact with his staff, but remained unmoved in his decision.

On 15 August 2002 I met with the financial controller and the human resource manager to discuss the proposed changes to our PAR project. The manager was overseas and could not meet with me. In response to my email communications the manager had agreed I could present the proposed changes to the steering committee if I first received approval for my proposed communications from the financial controller and the human resource manager. At that meeting the financial controller said the project had enabled management to identify and develop members of the steering committee as potential management staff or “go to people” as he put it. He said it was time for the project to move forward to another level; management were considering selecting people for a new format of the ‘participative’ project which they would facilitate. He added there had been changes in management philosophy and style during (but not necessarily due to) my project.

The financial controller gave me a copy of a report he had written on 8 July to the Board of Directors, the management team and the steering committee, although to my knowledge he did not distribute the report to the steering committee. Based upon our 2002 report, the financial controller recommended specific changes to the firm's practices designed to satisfy many of their concerns, changes that I believe the general staff were not in a position to suggest, nor implement. The manager later criticised our report for not making such recommendations. The financial controller limited his recommendations to the human resource functions, leaving technical and production issues to the respective managers within the organisation. The five key areas the financial controller focused upon were staff performance and recognition, work hours, job security, interpersonal working practices and communication within the organisation. I complimented him upon his report and pointed out that I was not in a position to write such recommendations due to the nature my research. The following excerpts from his report illustrate the respect he held for our PAR project and value of continued consultation with staff. Unfortunately I consider his recommendations suggest steering committee co-optation toward managerial objectives.

The management acknowledge the work to date by the committee, and believe that the concept is essential to achieving the long-term goals of the company...

It is clear from this document [the Financial Controller's] that the issues raised during the Steering Committee interviews have been taken seriously by the senior management of [the firm], and that action required to rectify any problems will require a consultative approach with the staff. It is envisaged that this more proactive and consultative approach should be encouraged and further developed within the company.

However, the staff must also be mindful that it is not always possible to discuss every decision that is made due to:

- (a) Time constraints;
- (b) Commercial sensitivity;
- (c) Technical nature of some areas of the business;
- (d) Hours available in a day!

The challenge to us all is to find a happy medium position.

I met with the steering committee to say the manager was disbanding the committee and creating a new structure, adding I believed they had done great work for their colleagues and for the firm. They were not hostile, but realistic regarding the imminent change. One suggested if the recent report to management and staff had not been so frank, the steering committee would still be in existence. I agreed and added we were obliged to communicate the staffs' perspectives as presented. The steering committee members were concerned that the proposed changes would negatively impact upon my Ph.D. research. They asked if I would have sufficient material to complete my Ph.D. I assured them I did (hoping it was true), although I added I needed to hear their reflections on the process. Later with the manager's permission, I interviewed each member of the steering committee and some of the management team including the manager. I was eager to hear their perspectives regarding the project. During the interviews some asked me to turn off the tape recorder at points during the discussions, as they wished to communicate or discuss sensitive issues in confidence. Excerpts form our conversations are presented in Chapter Eight. We had become close, had done constructive things together and (I believe) we were all changed by the process. Through the closing stages of 'our' project, I sought to communicate my concerns to management regarding their changes; I did not seek to communicate my concerns to general staff as I did not wish to impose my philosophy upon them or to cause them any further distress. When staff asked me straight questions or made philosophical comments that invited my response, I stated how I saw the situation. I encouraged them to develop their own perspectives; I reminded them of the changes they had implemented, and changes that resulted from their efforts (for example, the financial controllers' recommendations to management based upon the second major report).

To illustrate the non-confrontational manner in which the changes were made, I include the following email from the manager to the steering committee.

*19 August 2002*

*Hi all,*

*I understand that on Friday last Linda presented the new model we are looking at for the "FOCUS GROUP" which is the next stage of the steering Committees pioneering work. To me the committee has opened up many opportunities for individuals and the company, and the FOCUS GROUP is a vehicle to extend these opportunities for everyone. Next Friday we will be having our monthly staff meeting and at this meeting I would like to present the idea to them, but I would like to discuss this with you all first to gather your views in an effort to refine the plan. WEDNESDAY 28 AUGUST 1400. Is this OK with everyone?*

*Cheers*

*Managing Director*

On 28 August 2002 the steering committee met for the last time with the manager and myself. The manager thanked the team and said the upcoming changes were not a negative reflection on their work. He announced who would be the members of the new focus team headed by one of the steering committee. Membership of the focus team was to be a component of employment agreements. Focus Team outcomes would be linked to individuals KPI's (key performance indicators). The project became a formal component of the organisation, although not in the 'spirit' that I had worked to co-create.

Around the time of the changes, the manager had discussed his plans with a fellow manager who had a similar project in place in his firm. His colleague believed it saved his firm \$2.5 million - a figure 'my' manager also anticipated saving. The manager planned to move immediately to establish the new 'Focus Team' along the line of his friend's model. He envisaged it would take the focus team a month to plan the structure of their group and how they might distribute the \$25,000 he planned to make available to the new team (1% of the anticipated saving) to distribute as they saw fit. The new team were invited to the October

management retreat to present their proposal. I was advised I could continue my involvement with the new focus team about a month after they initiated. I observed the Focus Team initiate their project for approximately two months, then I withdrew my involvement from the firm – I felt the new project was instrumental, in a Habermasian sense of the word, in nature and did not wish to be a part of it.

## **6.5 REFLECTIONS ON OUR METHODS**

Through this chapter I have presented practical applications of PAR implemented through the echo approach. Through my fieldwork I sought to champion ‘the lifeworld’ as I worked alongside management and staff on our PAR projects. Wherever possible I worked within organisation goals as I supported participant led changes that focused upon meeting common goals of the organisation, its managers and staff, within participative principles. On some occasions, I deemed it necessary to challenge management regarding its practices.

The ‘echo approach’ provided a vehicle through which I introduced principles and practices of PAR. These methods are not specifically predefined, but are developed collaboratively with participants and vary depending upon the skills and judgments of those involved. Echo components of the work included the formation of a steering committee, the format and questions for the interviews, analysis of the responses and the subsequent reports produced - particularly the practice of reporting the participants’ responses in their own words. I argue the echo approach offers a plausible vehicle to introduce PAR. I feel it has potential to aid understanding of the participants’ perspectives and to allow their voices to be heard.

Action research projects such as that outlined have potential to offer participants a vehicle through which they might seek participant-led change for the better. As proposed by Dickens

and Watkins (1999), the participants and I worked through a process of participant-led research, education and action as a practical outworking of Habermas's notion of communicative action. However, other forces were evident, forces I feel can best be described in terms of Habermas's notion of instrumental action.

I worked alongside the participants who drove the research focus. I deemed them experts in their environment their perspectives were central to the work. I worked through cooperative enquiry with the participants who afforded me a high level of trust. The quality, volume, and range of participant perspectives collected reflect my success in establishing myself as a participant. Reports were shared with employees and management to enhancing collaboration, increasing awareness of worker concerns and perhaps counter fragmented consciousness. Enhanced worker understanding appeared to assist participants to clarify their perspectives and to make informed decisions. Over time participants became more vocal in questioning some of management's power relationships in the interests of justice. When management changed the project, employees were aware of their actions and demonstrated (enhanced) evaluative and communicative (emancipatory PAR) skills with which they reflected upon their situations.

Participant commitment to the project increased over time with 83% of those interviewed in the second year offering, or already taking, an active role in the project. Practical application of PAR (while hoping for emancipatory PAR), introduced through the echo approach, seemed to assist participants to gain trust in the principles of participative enquiry and confidence in their own abilities to enter into our PAR programmes. For some of us our engagements became emancipatory as illustrated in Chapter Eight. Next in Chapter Seven I provide insights into the levels of enquiry PAR afforded me.

## 7 RESEARCHER PERSPECTIVES ON THE PROJECT

The depth of insight that can be achieved through emancipatory PAR generated toward co-enquiry and its usefulness to employees, organizations, and academics is discussed in this chapter. Through the action research project, core worker participants identified flexible work arrangements as adversely impacting upon their well-being and upon firm performance.

Prior to my fieldwork, the firm had reduced core worker staffing levels, and paid those who remained through fixed salaries. Core workers were required to be functionally and numerically flexible. They were required to perform an expanded range of duties and their hours of work were expanded to suit organizational requirements. Peripheral workers were employed on an as-required basis. Although flexible work arrangements are typically seen to improve bottom-line performance and serve now normalised managerial prerogatives, core workers raised several concerns about these changes. Their concerns focused primarily upon management's lack of understanding of some implications of peripheral worker recruitment, a perceived lack of reward for core workers' extra efforts, and training issues for all workers. In general, core workers saw numerical flexibility as impacting adversely on workplace well-being and performance. Flexible work arrangements represented a fundamental source of conflict within the firm. The use of more democratic processes inherent in emancipatory action research oriented at workplace well-being were shown to have some value.

Changes in the nature of employment towards more flexible work arrangements have been seen as an attempt to address changing organisational and environmental requirements (Atkinson, 1985; Atkinson & Gregory 1986), and to do away with the rigidity created by Tayloristic organisation structures (Humphries, 1998a; Dyer, 1998). Emerging flexible work arrangements were described by Atkinson (1985) as a way of achieving financial gains and

increased manager control through variances to levels of organizational commitment to employee tenure through the re-categorization of employees as core and peripheral workers. Such arrangements also facilitated reductions in core employee numbers, diminished demarcation lines between functions, and provided for flexible forms of payment (Sheridan & Conway, 2001). Previous research focusing upon manager and performance outcomes has been argued to overlook employee needs associated with the promotion and manifestation of flexible work arrangements (Kalleberg, 2001).

This chapter is structured as follows. First, contemporary approaches to flexible work arrangements are outlined, as defined by Atkinson. Second, information drawn from the project is provided, followed by excerpts from two sets of focus group interviews with core workers and concluding with a selection of responses from managers to issues surrounding worker well-being and flexible work arrangements. The discussion section integrates aspects of the Habermasian perspective with responses from workers who perceived flexible work arrangements impacted adversely on lifework and well-being. Finally I consider whether flexible work arrangements might represent a fundamental source of conflict which is not readily surmountable.

## **7.1 FLEXIBLE WORK ARRANGEMENTS**

During the 1980s, Atkinson provided a template representing the reorganisation of workers into an emerging pattern of secured and casualised workers. He named the categories 'core' and 'peripheral'. The core group generally consists of full-time permanent workers considered 'durables' who, it was suggested, enjoy a level of protection and security in their employment. The peripheral group are distanced in their employment through institutionalised measures that included part-time, temporary or limited contract employment.

These people are treated as ‘disposables’, Atkinson referred to these employment practices as ‘atypical’ (Atkinson, 1985), but likely to become generalised.

In our view such changes are as yet pragmatic and opportunist, rather than driven by a conscious strategy. As a result they are greatly assisted by the current stagnation of the labour market and the resulting industrial relations advantage conferred on most employers. We do not expect such changes to be merely temporary expediencies, however, as their perceived advantages to employers are likely to persist beyond the current labour market climate. Because of this, such marginal changes seem to us to be the precursors of a new model for firm’s organisation of their labour forces which we can expect to develop more strongly in years to come (Atkinson, 1985, p.3).

As he predicted, flexible work arrangements have developed over time and have been utilised differing economic environments. My research highlighted difficulties in employing an actualised workforce during times of skill shortage and reduced unemployment. Atkinson identified three primary types of flexibility: numerical, functional, and financial (Atkinson, 1985; Pinfield & Atkinson, 1988; Hanratty, 2000; Kalleberg, 2001). An outline of the key elements of each follows.

Numerical flexibility provides the opportunity to match employee levels within organisations to market requirements (Hanratty, 2000). Such matching of employee numbers to requirements is primarily achieved through variances in the use of casualised workers through short-term arrangements. Such short-term arrangements may include short-term contracts, the use of part-time workers, job sharing, self-employment, subcontracting, homework, franchising, agency, or temporary workers (Atkinson, 1985; & Dyer, 1998). Numerical flexibility may also be achieved from core workers through extended working hours including overtime, reductions in hours worked and the uptake of annual leave entitlements at the employers’ convenience (Kalleberg, 2001).

Functional flexibility enables managers to move core workers to different work as the need arises (Atkinson, 1985; & Dyer, 1998). The use of quality control circles, participative management practices, and team (as contrasted to hierarchal) structures are promoted to facilitate the reduction of demarcation lines (Humphries 1998a; & Knights & McCabe, 2002). Such forms of work replaced Taylorist production methods. Functional flexibility is embedded in practice through a range of methods including linking pay to performance, in pursuit of reduced costs and the achievement of enhanced organisational commitment (Kalleberg, 2001).

Financial flexibility allows pay systems within organisations, to both core and peripheral workers, to be varied according to operational requirements (Hanratty, 2000; & Dyer, 1998). Organisational payment systems are established with the key objective of sensitivity to market requirements. Through a range of compensation packages, managers may vary remuneration in response to marketplace remuneration levels production requirements and shareholder interests. Employee resistance to management efforts to lower wage levels, has brought about a range of contingent payment systems across industry (Kalleberg, 2001). Examples may include the setting of a basic wage with out-sourced or market based 'bonuses'.

The 'atypical' model of flexible labour utilisation as identified by Atkinson (1985) and outlined above, has been adopted across the world<sup>15</sup>, and is now viewed as a primary model of employment through employment contracts and consequential reductions in worker security.

For many people, 'standard' full time permanent employment along with its associated benefits, has been replaced with flexible work arrangements (Benach, Amable, Muntaner, &

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<sup>15</sup> Flexible models based upon those proposed by Atkinson (1985) have been implemented and documented across the world including: the United Kingdom (Hanratty, 2000), Ireland (Hanratty, 2000), Germany (Finegold & Wagner, 1999), the United States (Benach, Amable, Muntaner, & Benavides, 2002), Australia (Sheridan & Conway, 2001) and New Zealand (Boxall, 1990).

Benavides, 2002) and distancing through sub-contracting of peripheral activities (Penn, Lilja and Hilda, 1992).

The use of flexible work practices can be seen to be primarily adopted by business out of a desire to adjust to market fluctuations, increase profits and reduce employment costs (Atkinson & Gregory, 1986) rather than out of commitments to meet equal or fair opportunity motivations to assist employees to meet their family responsibilities, as is sometimes claimed (Humphries & Grice, 1995). Such consequences are illustrated when organisations reorganise work to increase efficiency, while showing little consideration for the needs of employees (Sheridan & Conway, 2001). Recent research reveals that flexible work arrangements that overlook employee needs has a negative effect upon the health of workers (Benach, Amable, Muntaner & Genavides, 2002) and over time, upon the firms that utilise them (Sheridan & Conway, 2001). When employees perceive deterioration in their employment situations they are inclined to respond in one of three ways: they might exit the organisation, voice their dissatisfaction in an attempt to change the situation, or intensify their loyalty to the organisation (Davis-Blake, Broschak, & George, 2003). Research conducted by Marchington, Rubery and Cook (2005) suggests workers are less able to voice their perspectives and to resist management requirements when employed across organisational boundaries.

Kalleberg (2001) suggests the impact of numerical flexible work arrangements upon workers, be they core or peripheral workers, has not been widely published. The focus in most studies is upon achievement of unitarist notions of managerial outcomes. Consequentially an incomplete perspective associated with using flexible work arrangements as workers' perspectives have not been significantly focused upon. Kalleberg's observations endorse the worker focus of this research.

## 7.2 ECHOES FROM THE FIELD

The form of flexibility proposed in Atkinson's model of the re-organisation of work, have been generated through a rhetoric of employee empowerment and participation (Humphries, 1998a; Barker, 1999; and others). In part this research has sought to investigate the extent to which participation may indeed affect the power dynamic of organisation practices and go some way toward meeting Habermas's 'ideal speech situation'. This section describes participant reflections generated out of the broader programme of action research where I explore the extent to which participative communicative action, through participatory action research, may engage employees in influencing workplace well-being. Participants moved through a process of reflection and discussion regarding areas that they identified as requiring improvement, with a view to their being able to engage in developing solutions to enhance workplace well-being.

Consistent with the breakdown in demarcation lines between traditional trades, core workers of the firm were expected to engage in an increased range of activities within their jobs and perform different tasks as required, such arrangements are referred to in the literature as job enlargement (McShane & Travaglione, 2005). Core workers were also required to take increased levels of responsibility within their jobs including making suggestions and modifications to design drawings, such employment arrangements are referred to in the literature as job enrichment (McShane & Travaglione, 2005), both of which represent forms of functional, and sometimes numerical, flexibility.

Core workers were paid through salaries which management claimed recognised a level of overtime and to compensate for the firm's flexible work practices. Previously, core workers

were paid a wage based upon forty-hour working weeks, plus overtime as appropriate. At the time of my research, core workers were paid through salaries that were calculated based upon an hourly wage for a forty-five hour a week (the previous average and anticipated working week including overtime), plus NZ \$2000 - \$3000 per annum. At the time of implementation, the package appeared to result in a general pay increase. All core workers were on equal employment terms and conditions and held individual employment contracts based upon a generic format. Management reported core workers were paid above general market rates through the above arrangements. With regard to hours of work, the generic employment contract read as follows. “The employee will work the Employer’s normal working hours being 7.00am to 3.30pm Monday to Friday with half an hour for lunch, and will work such other hours as may from time to time reasonably be required for the proper performance of his or her duties under the Agreement”.

Moving core workers’ remuneration to a salary based system enabled the firm to gain a reduction in accounting time for processing salaries,; in addition to a level of functional and numerical flexibility from core workers, many of whom reported to work 50 to 55 hour weeks on a regular basis. Impacts resulting from functional and numerical flexibility were evident in the reports from core workers over the two sets of focus group interviews conducted in 2001 and 2002. Numbers of core workers had been decreased since 1997, although in August 2002 partly due to enhanced perspectives gained through my fieldwork (as reported by the financial controller in Chapter Eight), the Board of Directors based in Denmark and Germany, granted permission for the New Zealand firm to employ nine additional core workers (see Table 10).

**Table 10: Numbers of core workers**

1997	1998	1999	2000	2001	2002	2003 Projected
85	36	29	30	33	36	42

Over the previous few years, peripheral workers had been employed through employment agencies or from component manufacturers on an as-required basis. More recently, in an attempt to reduce pressure upon core workers and partly as a result of this research, an arrangement was struck with component manufacturers where specific people were contracted to the firm as and when required. This model was set in place to meet the firm's quality and consistency requirements, to reduce training costs and to reduce supervision pressure upon core workers. Management hoped the model would provide a two-fold advantage to the firm. First, it was designed to address a recent skill shortage in peripheral workers, and second, management anticipated the new arrangements would give cooperating manufacturers enhanced insights into the firm's specific requirements through their workers and thus improve their quality levels.

### **7.2.1 Core Worker Perspectives**

When I commenced the project in 2001, the core workers were cautious as to management motives in allowing the research to be conducted, resulting in some initial reserve in participation in the project. Comments to this effect were evident in the 2001 round of interview transcripts. In contrast, during the 2002 round of interviews, an increased level of trust was demonstrated in the rich material that was collected (and confirmed in the interviews presented in Chapter Eight). Of the 29 people that attended the 2002 interviews, only five did not offer to make themselves available to be actively involved in our projects. Written reports summarising core workers' responses, for both rounds of interviews, were produced in accordance with the principles of the echo approach and inclusive participative practices. The reports were presented to both managers and core workers.

*2001 Perspectives*

As outlined earlier, core workers involved in the project in 2001 were paid on salary, and were therefore generally not paid overtime. A departure from their employment contracts was reported by many core workers who maintained they were regularly working longer than eight-hour days, due to peer pressure, inadequate staffing levels and pressure to meet deadlines.

People are working longer days, some people stay longer and there is an element of guilt if we don't. ... We give 110% all the time and give a decent commitment to extra hours when the time arises from time to time.

Core workers suggested management should acknowledge the additional hours they, the core workers, worked. Their comments included the following.

Overtime not claimed could be repaid at the company's discretion when work was down, for example, an afternoon off [when work is slow or for personal reasons].

In the focus group interviews, each group of core workers discussed how they would like to be recognised for work that they considered to be especially well done, over and above normal expectations. Core workers generally wanted some form of recognition in addition to their salaries. Their responses are largely summed up in the following quotation.

Recognition, yes, team recognition; beer and pizza, barbecues, group thank you, the bonus was good, a pleasant surprise.

Core workers were concerned that recognition should not undermine teams, nor encourage competitiveness between them. Suggestions were made that recognition of individuals could be given quietly and one to one, in order to protect the co-operative team focused nature of the different teams within the firm. Core workers reported that they appreciated recognition of a job well done through the occasional provision of beer and pizza during work hours.

Forty-eight references were made regarding satisfaction in relation to working relationships with other core workers. They generally enjoyed the friendly nature, intelligence, helpfulness, happiness and diversity of their colleagues. Core workers also commented upon their satisfaction in working in teams. The following comments from different core workers were representative of those made by others.

*I like the people, I do not wake up in the morning and think “shit I have to face that guy again” ... I cannot think of anyone who does not like working here.*

Core workers also appreciated the opportunity to be involved in the focus groups for this research project. They felt that it enhanced their knowledge of other sections and people within the firm.

*The discussion [in the focus groups] has been beneficial. We have benefited from talking to people in different sections of the firm.*

Twenty-five examples were provided regarding core worker actions that others did not find helpful in their jobs. The areas identified included the provision of information, direction, team work and opportunities to learn. The following demonstrate the range of responses in this section.

Seeing jobs from start to finish is helpful. ... Correct paperwork and no shortcuts.  
...The management restructure that has just occurred in the past few months has greatly improved things. ...Different ideas and approaches, willing to compromise.  
...People answer my questions, some [people] will take time and look at my job from my view.

Thirty-seven references were made regarding things core workers found less satisfying about the working relationships with people at the firm. Areas identified included interaction between employees; lack of diversity of skills, workload stress, lack of procedures and/or staff not following procedures and the need for an enhanced overview of cause and effect.

The following illustrate some of the points raised:

*Secrecy agreements between a small group of staff members [core workers]. ...Negative comments that are backstabbing, I would rather people come to me personally. ...Still a 'them and us' mind set that tends to generate blame. ...Workloads can be hard at times causing pressure on working relationships ....Very busy, sometimes I feel I have to interrupt to get help. ...Don't always follow the correct procedures for solving an arising problem i.e. engineering design misunderstanding.*

*The person who makes a mistake does not have to fix it. For example, the engineer may fix the drawing but would not change the machine. We need a greater understanding of the impact of mistakes, as they can result in somebody working a weekend [or more]. There is old thinking of "well you are under me 'boy' get it done, do what I say".*

Fifteen specific examples were provided of things that people did that were considered to be unhelpful to staff in their jobs. Areas identified were sorted into the same areas as covered above, with the addition of references to changes to items being produced. The following illustrate some of the points raised.

If somebody shortcuts the system it creates such problems as things cannot be traced. ...Sometimes when we fit or make something different nobody at the top gets to know of the changes. Most jobs are OK. Newer jobs modifications that have been made at other sites are not passed onto the engineers. ...People work hard to do work, then it can be cut off the machine to make a change that has not been communicated.

Core workers generally expressed recommendations for improvements and spoke of pressure to work extended hours. They appeared to be expectant that management would consider their views and offered suggestions for consideration. Overall core workers were primarily concerned about factors that influenced their immediate working environments.

### ***2002 Perspectives***

Between the 2001 round of interviews and those conducted in 2002, the mood had changed somewhat. In the 2002 interviews I used the same base set of questions. Core workers reiterated and elaborated upon their dissatisfaction with management practices and the hours of work that they felt compelled to work. They did not feel adequately recognised nor compensated. Core workers suggested improvements to production were grouped into five

sections of comments. The largest section of comments was with regard to existing procedures (40 comments), followed by those suggesting the utilisation of a matrix design for work practices, delivery time frames be calculated more generously, and encouragement to communicate and recognise suggestions.

Core workers reported that procedural inconsistencies existed and that insufficient procedural training was offered to new workers. Such inconsistencies were further aggravated by the use of peripheral workers who demonstrated low levels of commitment to the firm and a lack of interest in the long-term implications of their actions. Discrepancies were also reported in procedures regarding interpretation, general updates to records, corrections or change to items in production, and the recording of such changes, as illustrated in the following core worker comments.

- *(A core worker) The company has a history of fixing things in a rush without updating the records.*
- *(A management member) If we do not know about things [i.e. if staff do not update the records] we cannot fix them [on the original plans].*

Due to the innovative nature of the work conducted by the firm, skill levels of core workers and their organisational commitment, most managers encouraged core worker initiative and proactive thinking. However, core workers reported their frustration in working with peripheral workers who, they suggested, were not willing or able to make suggestions, nor to embrace the firm's culture. Some core workers believed this to be due to the nature of peripheral workers' employment conditions and consequential detachment from the ongoing practices of the firm.

Core workers reported that they were so busy working that they were not able to communicate with each other as fully as required and as they would have wished. During our

focus group discussions, two section managers were able to communicate regarding a work situation, identify options available to address it, and make a decision to reduce each of their workloads. They agreed that this one item alone made the investment of their time in the research meeting more than worthwhile. Usually they did not have time to talk to each other about work issues.

Communication of changes to procedures was an area of concern to core workers (21 comments). They reported a variety of scenarios where changes took place in ways that reduced their efficiencies and frustrated their efforts to work effectively. They also noted successes and offered suggestions. For example as a result of our project: two managers established ‘kick off’ meetings and forms to clarify details at the beginning of new contracts for all staff including peripheral workers. Suggestions were offered regarding the establishment of debrief meetings on job completion and changes were later implemented by management to address some of the limitations of working in a flexible work environment. Overall the participants felt the nature of numerical flexibility had the capacity to compound difficulties in communicating change, due to core workers being required to work on different components as required, and peripheral workers not always working on subsequent projects.

Pressure was felt by a number of core workers in the form of expectations to work longer and harder (with minimal recognition). Core workers reported they were aware of the implications of being employed through salary based agreements. They reported that they were willing and ‘gave their best’ but perhaps at the expense of their personal lives. The communicated difficulties in achieving balance between organisational and personal goals. The following illustrates the range of comments.

- *When we go home at 3.30pm as our contract says, we are asked where we are going.*

- *7am to 6pm is expected on an ongoing basis.*
- *The bright ones stick to their hours.*
- *We all work hard and the money is important.*
- *Beer and pizza does not pay the bills at home.*
- *Management have not put it into place for people to work longer. We have slipped into a pattern to work longer, now it is taken for granted.*
- *It is not the same for each of us. Why comment for some and not for others?*
- *All the time we're fighting fires, trying to catch up.*
- *It feels like we are chasing our tails.*
- *Something has to be said. When we have time off we should not be made to feel guilty.*

Ten comments were recorded regarding the impact of work on private life. In addition to these, references of a general nature were made through the interviews regarding impact upon private life. A level of core worker fatigue was noted as demonstrated in the following comments.

- *I do not live to work, I work to live.*
- *I would like to work normal hours and not go home exhausted.*
- *Sometimes you have to do the hard yacker, but we do have a life too.*
- *I use alcohol to relax when I get home.*
- *When people work long hours they set the standard for others. We feel the pressure to work long hours.*

The implications of such fatigue could see the firm and/ or its employees open to prosecution under New Zealand's occupational health and safety legislation (The Health and Safety in Employment Act 1992). Core workers discussed salaries, overtime and bonuses. Eighteen comments in total were recorded. It was reported that some did not feel able to take their annual holidays due to work commitments. Core workers generally expressed their unease with working long hours, under pressure, over extended periods of time. They were dissatisfied with the compensation methods offered by the firm and some of its management practices.

Job security was an underlying concern for most core workers. Prior to my conducting the 2002 interviews, three core workers were notified that their employment was not required. In

the interviews, many staff expressed their unease with the layoffs and concern for their own job security. The following comments reflect core worker concerns.

- *We get a bit scared. Are they going to get rid of some other people off the floor?*
- *Job security is almost more important than money.*
- *It rears its ugly head again.*
- *The answer to the big question of 'Is that the end of it?' Management said well, you never know what is around the corner.*
- *You never know.*

Several participants voiced their gratitude for being able to express their views to management through a confidential process such as that offered by this research project. The breadth and depth of the core workers' perspectives reveals their concerns to establish balance between their lifeworlds and the organisations' system requirements.

### **7.2.2 Management Responses**

The above core worker responses were reported to management in the form of a written report and followed up with discussions between various managers and myself. In response to the 2002 report, the firm's financial controller wrote a report to the management team and the board of directors suggesting a range of actions that management could take in response to the issues raised. The ten page report was confined to issues that focussed upon building better relationships between staff at all levels within the organisation.

During my exit interview with the financial controller we discussed the impact of flexible work arrangements. During the interview I stated that I had the impression that the staff in his firm did not sense a level of protection from being part of the core group. He agreed with me, offering the following response.

*I would agree, we all do not. They need to have that at the back of their mind. It is all very well to increase staff numbers or whatever, because we want to reduce peoples work loads or because we think the work is better done in house than out sourced fair*

*enough. But, the implication is that your break-even point is higher and at that point the company is more vulnerable to making changes it always is.*

The firm's executives later initiated a review of remuneration, including consideration of returning to paid overtime. For the 2002 year, the firm reviewed its annual bonus payment system in consultation with the participative project members (the steering committee). Management also considered including a more direct link to individual performance in its calculation of bonus payments. Core worker performance reviews were amended in response to the focus group comments and department managers were required to prepare summary reports of the 'health' of their departments after each performance review round. Management acknowledged that core workers were working 'excessive' hours. A request was placed with the board and approval for additional core workers was subsequently received. Middle level managers were reminded that they could not require core workers to work extended hours for prolonged periods. In response to the issues raised by core workers that they were made to feel a level of guilt when they decide not to work extended hours, managers were warned by management that they could be personally liable for health and safety claims made under the Health and Safety in Employment Act 1992. Therefore, the participant's responses were of practical benefit to their personal (lifeworld) and the organisation's profitability (the systems) objectives (as reported by the financial controller in Chapter Eight); and went some way toward achieving lifeworld system balance.

### **7.3 DISCUSSION**

Through the action research project I was able to identify a number concerns held by core workers which management sought to address through various means. The experience of the workers reported here cannot be divorced from the decisions made by the company owners in Germany and Denmark. This places this case study in the context of globalised practices in which owners of firms in one country may have a direct influence on the experiences of

workers in another. The context of interest in this case is the profit driven directive ‘from a distance’. Workers’ and managers’ security depended on maintaining a productive relationship for the owners. To show any decline in productivity would be to risk the sale of the firm, a threat well understood by workers and managers in this example. The recordings of the perceptions of core workers and managers provide a rich text to re-visit and interpret using Habermas’s notion of ‘the system’ and ‘lifeworld’.

Early critics of changes in the way work has been reorganised using approaches such as participation and flexible work arrangements predicted greater exploitation as a result. The process was argued to be an insidious form of control impacting upon the extent to which workers take onboard the managerial perspective (Barker, 1993; Humphries, 1998a; Alvesson & Willmott, 2002). Explorations of these work place changes as exploitative rather than experimental, bring to life the Habermasian notion of the ‘colonization’ process, also taken by such critics as Deetz (1992).

Although managers often refer to their staff as ‘valued assets’ or resources (e.g. Beardwell, & Holden, 1994, p.379-380), management actions often do not reflect such value sentiments. Consistent with findings from Humphries (1998a) my research indicates that flexible work arrangements enabled managers to increase control over workers, divide core workers from peripheral workers, and take advantage of power imbalances within the employment relationship. Also consistent with Atkinson (1985) flexible employment relationships are primarily based upon managements’ needs. Atkinson’s predictive model becomes normative when employees are reminded that their tenure is tentative, as was the case in my study. Table 10 illustrates core worker numbers were maintained at low levels in accordance with Board of

Director and shareholder wishes. Core workers expressed their concern regarding job security and were prepared to accept harsh work conditions out of their need for financial security.

The multi-national corporation that owns the firm had benefited from a 40% annual growth over the previous three years and huge increases in return on equity, through flexible employment, among other arrangements. The above-mentioned rate of increase in outputs, coupled with low levels of core workers over the same period indicates that core workers were not enjoying the democratic protection that advocates of flexible work arrangements suggest should be achieved. Neo-liberals such as Hayek argue that when the free market of individuals 'liberty' is threatened, democracy is optional. "By liberty, Hayek meant the free market of individuals, and democracy then becomes a tactical option, if it upholds the free market then well and good, but if it undermines it then it is expendable" (Harris & Twinaime 1998, p.121). In this study, it appears that democracy was considered to be expendable as job insecurity was an underlying concern for most core workers. Exploitation of workers for the benefit of foreign investors, as illustrated in this fieldwork, and extraction of value from New Zealand is inconsistent with locally made promises that economic growth will benefit all (Humphries, 1998a).

Corporations, argue Humphries and Grice (1995) colonize communities with which they associate, through pressure to take the corporations' values and practices as their own. An illustration of the system colonizing the lifeworld can be seen in the actions of the core workers in the study. Through a variety of means pressure was brought to bear upon them to work long hours at personal cost. As a consequence of such pressure to conform, core workers reported negative impacts upon themselves and their private lives, their lifeworlds. Habermas suggests that the system reacts adversely upon the lifeworld through a colonisation

process. An outworking of the colonization process upon core workers can be seen in the next paragraphs; the first focuses upon salary payments, and the second upon flexible employment.

Management reported that core workers' salaries were paid at a generous level above general market rates; however the payments were not deemed by workers as generous when assessed against the number of hours core workers were working, their perceived lack of job security, the levels of responsibility they felt to the firm and each other. Core workers were paid through salaries that compensated for overtime based upon an average forty-five hour working week. Core workers were paid overtime if they worked several hours on weekends; however, many worked between fifty and fifty-five hours during the week for no additional payments.

In both sets of interviews core workers indicated that they felt pressured to work extended hours, out of pride in their work, as reinforced through organisational culture, commitment to the firm and each other. It appeared core workers were also motivated to work at high levels for prolonged periods in an attempt to maintain their ongoing 'core' worker status. At times productivity losses resulted from core workers functional, and all staff's numerical flexibility resulted in confusion, wasted materials, wasted labour, and general staff frustration. For example, on occasions workers worked full weekends to rectify errors not previously recorded, without being expressly directed to do so.

Barker (1993) documented management's ability to reduce bureaucratic control and rules, while increasing control. The locus of control in such situations is placed upon workers "who collaborate to develop the means of their own control" (Barker, 1993, p.411). The core workers in our study exhibited the effect of concertive control through the hours that they

worked, while feeling pressure to do so in many cases without management's explicit direction. Research has shown such is the consequence of flexible workplace practices (Davis-Blake, Broschak & George, 2003). I argue management are responsible for the work environment and the situations described. To a large extent, they enabled the situation to come about through their concertive control and production requirements; therefore, responsibility rests with management to address the situation.

I argue Habermas's (1989) analysis of the lifeworld which consists of interactions between *society, personality and culture*, are demonstrated in the study,; as are Habermas's rationalisation processes, the lifeworld and the system, which he suggested are coordinated and reproduced through communicative action. First, the core workers' responses demonstrate their high level of commitment to group and organisation goals. Over time, core workers were inclined to work extended hours at personal cost. Their efforts can be seen as an illustration of high organisation commitment (society). Second, core workers sought to meet organisational goals through their innovative production of technical items, an illustration that they were highly motivated to work (a component of their personality). Third, such interactions were present while the core workers were working under low staff levels and high work pressure, their efforts can be interpreted as a demonstration of the presence of a high pressure to perform (possibly colonisation of culture toward organisational goals). The colonising nature of the system was utilised by management to fragment communication, and isolate workers so as to dissipate their voice in the face of adversity, and ultimately to maximise return on investment. Core workers became fatigued, and dissatisfied. However, through the participative action research project they began to express to each other and to management their concerns about the impact of flexible work arrangements on both their own lives and the firm's performance (communicative action). As recorded by Davis-Blake, Broschak, and

George (2003), workers under stress are inclined to voice their dissatisfaction in an attempt to rectify their situations. I argue our project illustrates the potential of communicative action through participative action can assist participants to express such dissatisfaction toward mutually agreed participative ends. Ends in this case were intended for the mutual benefit of participants and the organisation's short and longer term goals.

Due to the number of core workers that expressed their discomfort with adverse effects of their hours of work, and the consequential risk of burn out, the 2001 report to management recommended an investigation into the issues surrounding the number of hours worked by core workers. The question arose, 'Are core workers consistently working long hours under pressure?' The report pointed out that such a circumstance might have adverse consequences even though it appeared that the pressure was underpinned by core workers' commitment to the success of the firm (and fear of unemployment). Management were responsible for the welfare of their workers due to their role as employers, they are legally responsible to ensure that safe work practices were in place under New Zealand's health and safety legislation. It seems that management did not heed our early warnings, instead they waited to act after the report I produced in 2002. This scenario suggests low levels of commitment by management to core workers, and as such contrasts with Atkinson's model of flexible employment arrangements, which claims the model affords core workers with a level of protection and security (Atkinson, 1985; Hanratty, 2000; & Kalleberg, 2001).

Peripheral workers were generally employed through employment agencies to reduce organisational costs through reduced commitment to ongoing employment relationships. Core workers expressed their frustration in working with peripheral workers, they considered, held low levels of organisation commitment and knowledge, and lacked interest in the long-term

implications of their own actions. Reportedly, such peripheral workers did not know the location of materials or equipment, they did not have a working knowledge of production or the firm, appeared to be motivated by their wages alone, and had lower skill levels than core workers. Due to the combination of the innovative nature of the firm's production and its use of casualised employment through numerical flexibility, difficulties arose in communicating change to workers on subsequent projects. Such developments illustrate difficulties in flexible work arrangements for both core and peripheral workers. Core workers claimed that it was sometimes easier to do the work themselves than to direct or train peripheral workers to do so. These factors also contributed to the core workers working extended hours under pressure, and in the short term reduced financial costs for the firm as further peripheral workers were not employed; however, in the longer term increased material costs due to production errors, and increased the risk of core worker burnout.

In the 2001 interviews, core workers reported that they interpreted the occasional free 'beer and pizza', that was provided by management, as an indicator that the firm was in good health and assumed that they therefore had employment security. In the 2002 interviews, core workers were less pleased with such token rewards and did not deem them to be an indicator of secure employment. In addition to the above mentioned personal consequences, core workers were working with such intensity that they were losing efficiency for the firm due to lack of time to communicate with each other regarding work practices.

The 2002 report to management suggested that the core workers were working at an unsustainable level that was not good for their health and resulted in costs for the firm. Management confirmed this evaluation and gained permission from the board of directors to employ additional core workers. Management moved to employ peripheral workers from

component manufacturers in an attempt to address quality control, availability, training, and commitment concerns. Management's revised programme appeared to be driven primarily out of the firm's needs for workers and quality of in-house production. Management hoped that such casual workers would also take an enhanced perspective of its organisational requirements back to their component-manufacturing employers. An additional outcome was a report written by the financial controller of the firm to the management team and the board of directors, wherein managers were reminded that they could not require core workers to work extended hours on an ongoing basis. The tone and form of this reminder made it very difficult for managers to ignore. This warning, coupled with a proposed increase in core worker levels, encouraged me to hope that work levels were being addressed.

Throughout the research, workers reported that they felt pressured to work beyond their limits due to management expectations, out of commitment to their colleagues, and out of fear of unemployment, factors, I argue, illustrate managements use of control to colonise worker efforts toward its own profit driven objectives. Flexible workplace practices were an outworking of such practices, colonising the lifeworld while at the same time negatively impacting upon employer employee levels of trust, a fundamental component of the employment (or any) relationship. Davis-Blake, Broschak, and George (2003) report employees can respond to deterioration in the employment relationship through exit, voice, or loyalty. The research illustrated workers' initial response was toward enhanced loyalty; however over time were inclined more to voice, softly then, when apparently not headed, more harshly. Any further move, to exit as Davis-Blake, Broschak and George (2003) propose, would be costly in financial and personal terms to both parties. Consistent with Marchington, Rubery and Cook's (2005) findings, core employees experienced lack of voice with the multinational managers who directed the group of companies and the casualised

workers expressed lack of opportunities to voice their concerns across organisational domains. I suggest communicative action has potential to instead facilitate dialogue toward mutually agreeable, sustainable outcomes; as illustrated in this case where management moved to reduce the financial and personal negative implications of a casualised workforce.

This discussion reveals that flexible employment arrangements utilised in this firm did not afford protection to core workers as theory suggests. Both core and peripheral workers were exposed to pressure primarily to extend their hours of work and to reduce their expectations regarding remuneration. Production level increases were not reflected in increases in numbers of core workers; in fact perceived job security was low. Core workers felt pressure to work extended hours out of their commitment to the firm, each other, and to maintain their own employment. My warnings to management of potential staff burnout were not heeded until the second year of the research, by which time core workers appeared to be keen to voice their disquiet in management practices and were showing signs of burnout and were losing efficiency. This is a scenario that ultimately cannot be good for either management or workers. Core workers perceived that peripheral workers held low levels of organisation commitment, and required high levels of supervision and training. Therefore, the use of peripheral workers resulted in additional frustration for core workers and contributing to production losses compensated by core workers tendency to work extended hours.

As a result of our 2002 report management took steps to employ peripheral workers from the firms' component manufacturers. Management hoped that this group of peripheral workers would possess higher levels of organisation commitment and skill, than peripheral workers that were previously employed from recruitment agencies. The impact of this change upon the firm and its component manufactures is not known by me.

The participatory action research approach that I utilised in the firm affected outcomes for both core workers and management. An increased level of confidence was evident in core workers who participated in the project. Core workers moved management to review some of their practices. Therefore, I argue enhanced communicative action (Habermas, 1989) took place as a result of the project. With regard to hours of employment, management moved to reduce pressure on core workers through warnings to middle management to heed core workers' contractual obligations more closely. Provision was also made to increase core worker levels. Such moves demonstrate that participative projects can enable management to better meet core worker needs and move some workers from casual to core worker status. However, in this case, management did so partly through increased pressure upon middle management and peripheral workers. Pressure upon the lifeworld was shifted (in part) to relieve pressure from the area of protest.

My findings demonstrate that the participative project placed pressure upon management; I argue therefore, that PAR has potential to redress a level of power imbalance within the employment relationship, and result in a level of enhanced well-being for core workers, but perhaps at cost to other groups such as middle management and peripheral (recruitment agency) workers. Next in Chapter Eight, I present key participants perspectives of the overall project.

## 8 PERSPECTIVE FROM THE FIELDWORK

For Marx, 'work' is an integral component of human existence and dignity. That dignity is threatened by the instrumental treatment of human beings as mere 'resources' to be harnessed to serve economic growth through the maximisation of profit. This form of work, he argues, alienates and isolates human beings, initially from the processes of production, but ultimately from themselves as creative human beings. My interest in the contemporary experience of workplace well-being has been informed by my review of the concern regarding the expression of dignity of human life under the conditions of capitalism expressed through the work of a number of western writers. Jurgen Habermas and a group of contemporary organisational researchers associated with his views articulate this concern as the incremental encroachment of instrumental logic on all human endeavours. For them, the remedy lies in the strengthening of communicative action. Through the work I have reported here, I have drawn on the writings of these authors to focus my attention and action on working with the participants in this project to enhance their workplace well-being through our endeavours to express such communicative action.

My research took place during a time when the backdrop for the particular direction of capitalist activities in this country underwent dramatic change (Harris & Twinaime, 1998). It was a period in which New Zealand voluntarily liberalised its economy more radically than most western countries (Kelsey, 1997). At that time the employee participation and empowerment rhetoric was promulgated through organisational forms, from manufacturing industries (Humphries 1998a) to the delivery of services in the voluntary sector (Paine & Humphries 2004). But rather than deliver the economic benefits and job enrichment that was promised, conditions of service were generally diminished (Humphries 1998a, Hazledine, 2003).

Through this research I sought to understand the extent to which participatory activities among employees and their managers could be encouraged and supported to enhance the well-being of workers employed in a typical, medium size, multiply owned, off shore, manufacturing organisation, the type of organisation that collectively constitute the capitalist 'system'. Building on the principles of participatory action research (PAR), and using the 'echo' method to guide our activities, my participants and I committed to communicative action principles to articulate and achieve the changes in their place of work that they deemed would contribute to their well-being. My research processes were designed in accordance with the normative assumptions of critical theorists that people should participate in creating their own environments and that researchers can be actively engaged with them in achieving such aspirations. The manager of the organisation where my fieldwork took place was open (initially) to the notion of encouraging staff to engage more fully in workplace communication and decision making:

Well it was quite timely. The reason that we have gone down the path that we have with the steering committee was that it seemed appropriate at the time because of some of the internal issues that we were having. The main thing that I saw was the lack of structure in the company. There were no congruent to fix problems, no structure for people to go to. Secondly, there were so many problems, and due to this lack of congruent, the first thing that I [the manager] would see would be at the terminal end of it. So when it got to me, any issues or problems or solutions were usually past. People were pretty fed up by the time that I got to see them. Historically, on one particular day I had about four people come up and see me. I thought there is something going on here that I do not understand. So then this participatory project came about, so the timing in a lot of these things is quite fateful I find. Being able to recognise there is a solution, I suppose. So that is how it came about and I am happy that it did come about.

In this chapter, I draw together the literatures discussed in this report, with my experience of the research process and outcomes from this programme of research. First I do so by linking participants' observations to the expressed aspirations of communicative action, followed by participant evaluations of the overall project. Through these two sections, I note the potential

for PAR to achieve respectful relationships within the context of capitalist enterprises. I do so with full recognition of the reservations expressed by those researchers who have demonstrated the cooption of the goodwill of employees through their research. In my research I also observed managements' attempts to coopt workers efforts. I provide excerpts from my conversations with participants which I feel illustrate such actions. I conclude the chapter with hope through participants' reported observations that (at least) some were aware of managements' exploitative processes.

### **8.1 PARTICIPATION TOWARD COMMUNICATIVE ACTION**

The call to praxis associated with a critical analysis requires positive action to engage in research methods that promise to contribute to the liberation and empowerment of all human beings. In my fieldwork I sought to provide a forum through which silenced or marginalised people within the organisation might counter hegemonic forces that they might contribute more equally to decisions that influenced their lives.

In seeking respectful relationships with my participants, and being mindful of the differing ways their employment was a necessary part of their material and emotional sense of self, I drew on the traditions of PAR (Reason 1988). The work of Kemmis (2001) allowed me to retain an anchor in the concerns of critical theorists. The work of Cunningham (2001) provided the echo approach, a procedure that I could use to ensure I was following - not leading - my participants in their understanding of what and how their working lives could be enhanced. It also facilitated hermeneutic understanding of linguistic expressions, actions and experiential expressions, to further facilitates understanding as recommended by Habermas (1971 [1965]).

I think we [the steering committee] all work well together anyway. We all listen to and are fairly open to others' suggestions even during debate. We all come from different areas of the company and have different views and the wide range of vested interests makes for interesting conversations and interaction... [a different participant's comments] I think the group worked well together. There were enough different people to get discussions and arguments going. We were not all coming from the same point of view, we did not all agree... there was debate in there, and there were enough different angles to bring different solutions. Rather than saying, this is what we think... Yes definitely. I think that we did some great things.

Throughout my fieldwork I sought to facilitate co-enquiry that the participants understandings of their environment be less fragmented. The rejection of dogmas and vertical authoritarian structures are seen by Fals-Borda (1991) as fundamental to PAR, that empowerment through equal participation might take place. Through my long term involvement with the participants, I sought to enhance trust and mutual understanding seeking to work with them toward solutions they valued. We engaged that they might (re)explore their *linguistic expressions*, understandings (*experiential expressions*) and *actions*. The following illustrates some of that deeper understanding.

I've got to know the people much better, I think that's been really neat as well. It's been really, really nice. Like with ##### [one of the steering committee], I didn't have a lot to do with him [before our project], but through the committee I mean, there's an invisible tie. 'I know you, we've been in the same committee' and so there's a different interpersonal relationship here that can be called on. And he understands me, sometimes I'm prone to shout, and raise my voice you know... and then people take that for being angry. But, I guess through the meetings and things, he now knows that I start getting all excited I wave my hands like an 'Italian', it's just I'm waving my hands around. It's not the same shock, horror, what's this stupid 'Italian' waving his hands at me and yelling, you know, so it's been good like that.

The research programme involved a number of projects through which upward communication was encouraged, enabling participants to express their hopes and concerns for the organisation and its' people. During the course of the project the employees moved from (silent) frustration with organisational practices that negatively impacted on their lives and interrelationships, toward collaborative interchanges through which they sought to clarify their perspectives and to identify and implement what they considered to be more acceptable

alternatives. These actions generated a change in the organisations efficiency, cultural change and changes in the personal identities of (some) participants – changes that altered the horizon of future identities and organisational cultures.

Participants in my fieldwork found my methods time consuming. They acknowledged, however, the benefits of investing time in decision making processes. They felt they achieved better decisions through PAR and saved time in the longer term as their outcomes would be less likely to need to be revised.

Well, it's been pretty valuable learning experience for me, and I appreciate that. I think it's got some very valuable tools in it. And I think that I personally, I've been brought up that way, to get buy-in and get a consensus approach, and make sure that it's talked around and we come up with something that everybody is going to be happy with. Yes, that sort of approach is me. I think it's a very good way to do things, and I think you get a far better response from people... Yes, it can take longer to make a decision, but the idea is to make the right decision. And if you make an instant decision five times or make the right decision once, you'll find that the cost of making the right decision once and taking a longer time is a lot better.

Through the research project I sought to embrace the notions of legitimate power, the 'power of agreement' (Arendt, 1970), through inclusive participative practices toward a fully inclusive society grounded upon participation without force or deception. I championed organisation change toward enhanced participation in the hope that such participation would be for the benefit of employees and the firm. The organisation and staff benefited from improved practices and more fully engaged employees. Staff benefited through more direct financial rewards for 'overtime', reduced pressure to work extended hours and increased core staff levels (removing some of the frustrations in working with casual workers) and satisfaction in using and developing their skills. Enhanced participation enabled employees to engage with management in new ways; more importantly perhaps for management to listen more keenly.

I think there is a very fine line, there is a balancing act. You cannot be so far over the top that you are a great guy but your company has no money. At the same time you cannot expect so much profit without your staff being un-happy. There is a balance. I hope that the whole thing may benefit from allowing everyone to see the company in a different light to see everyone else's pressures that they are under.

Our endeavours were limited by corporate and management instrumental control. We were working in the context of an organization embedded in the broader disciplinary effects of global capitalism as identified by Humphries (1998a). However, through the PAR process management and staff reflected upon the effectiveness of their work relationships. The financial controller in particular valued PAR as a means to move the organization toward a more inclusive approach to management. He also sought to address concerns regarding the flexible model (discussed in Chapter Seven), previously implemented in the firm. He reported that as a result of my fieldwork he re-evaluated and changed his approach to organisation control, toward a more inclusive respectful approach. The financial controller also critiqued his professional qualification which focused upon financial success above the human component of employment relations.

Due to the work within the group, I have been re-evaluating my relationship with the staff. It has become apparent that (for a number of reasons) that I have become remote from the day to day issues. I think that the team approach also helps to reiterate to us all that there is no one right answer in most cases. For example, my view can be very financially focussed. However, some of the ideas have more potential for growth / efficiency than my simple bean counting can produce.

We do not have a history of participatory management within the company. So it is fairly new to everybody, in all honesty these guys would not have opened their mouths in front of us three years ago when we were getting the company back on its feet. You did not want to raise your head it was not safe. So for them to be put in a position where they are allowed to talk on a one to one basis with any of the management or staff, and take some form of responsibility, and be open about it would have been quite a new experience. A new experience for staff and management too. Management faced an extremely difficult role there, but at the end of the day management need to develop along with the company and not be stuck in our old ways.

I now am beginning to be more of a supporter of those models. I have gone a full circle. I started my career as a truck driver for three years, then I went back to university, back into finance and became an accountant. It was all bottom line... When I first came back into the accounting world it was all that I was concerned with.

In the last year [while the PAR project was in place] I have looked back and thought, would I have liked to be treated as a general staff member, when I was driving trucks, as we treat our staff now. In some areas I think it is not very good at all, in hindsight... Maybe I have shifted a little from the capitalist pig that I was.

These comments are consistent with the discussion provided in Chapter Two, where I suggested that the nature of management training and structures of their rewards encourage them to separate themselves from their staff – to distance themselves from the consequences of their action on the well-being of their employees. The transformative aspirations of the research, however, provided the means by which this manager could review his practice. The extent to which he was willing to do so endorses the notion that changes in the manager/employee relationship is possible – and with a change in relationships comes a change in identities.

My fieldwork demonstrated it is possible for participants to engage in ethical organisational practices in the pursuit of more fully inclusive workplaces. Participants can work within the employment relationship toward common goals through communicative action. I argue such approaches when founded upon ‘the power of agreement’ have potential to counter fragmenting influences of organisational perspectives. They provide a means through which employees might enhance their mutual interpersonal and organisation perspectives and strategies. When employees perceive deterioration in their employment situations they are inclined to respond in one of three ways: exit the organisation, voice their dissatisfaction in an attempt to change the situation, or intensify their loyalty to the organisation (Davis-Blake, Broschak, & George, 2003). Our PAR enabled staff to voice their perspectives in new ways. Management did find some of their staffs’ communications difficult to receive, although I suggest that was preferable to the alternative, staff leaving the organisation.

Yes I think that it did [enable staff to voice their perspectives], yes. I think they were given an opportunity to say what they think so they took it. There was so much

bitching and carrying on before the interviews and it all came out at the interviews. So people really got the chance to get what they wanted to say off their chests. I mean what would have happened with all that otherwise? If we had not had that people would be still moaning about it behind everyone's backs. You know, it gave staff a chance, because management got such a beating if you want to call it that through the interviews, it gave the staff a chance to speak their minds, to say what they were feeling through a channel. Through us! I think that the last lot of interviews really made them [management] sit up and take notice.

Hegemonic processes of power occur where imbalanced power relations are deemed entrenched, normalised and even naturalised. Under these conditions such dynamics are unresolvable through negotiation because the exploited party does not recognise or acknowledge their exploited position. Hegemony does not form the basis for respectful relationships worthy of sanction in democratic societies. Conditions of naturalisation, however, are unlikely to be total or permanent. I acknowledge that we were not always able to achieve PARs full potential. Improvements appeared to be limited by the degree of managements' willingness to accept them.

You can say what you like, but my feeling is that it was canned because of the information that he [the manager] got back from the interviews. I mean, and I know others feel like that as well, whatever they say. Just to give you an example of that, I read the raw data as we all did. Now, I saw, and I was party to what some people said at those interviews, and I saw what was written down in that raw data, and to me, some of it was dynamite... I think the strongest thing that came out of it is the fact that everybody got spoken to and what really resulted from it, and I go back to the interviews, was that it became an outlet for people. In fact, a lot of the times, there weren't even questions; people broke out and said this is what we think... I still feel that there's this, well there was if you like, this feeling from here that this is a wonderful place and everything in the garden is rosy, and you know, the fact is, is far from it. And that's what actually came out to me... Oh, I was quite happy with being a part of it.

Along with Habermas (2001) and Scully (1998) I argue workers have more savvy than they are sometimes given credit. Therefore, in my fieldwork I sought to challenge the assumption that the relationship between employers and employees need necessarily be exploitative. In this thesis I seek to illustrate the potential strengths of Habermas's concept of communicative action, when implemented through PAR. PARs strengths lay in: (1) its emergent, participant

led nature; (2) the value that the method places upon diversity of opinion and perspectives; (3) and the inbuilt continuous spiral of consultation through research, education, and testing of alternatives.

In advocating the utilisation of PAR through communicative action, I strove for an ethic that addressed exploitative practices toward social change through the formation and transformational aspects of group membership and personal identities. Such endeavours, when enhancing rather than diminishing employee influence on the nature and outcome of employment, illustrate the possibility of human creativity through their intentional action to achieve change, to inspire hope and further action for the transformation of organisational communities. Such changes may alter the horizons of future organisational cultures.

## **8.2 EVALUATIONS**

Structural violence can take many forms. Barker (1993 & 1999) and Humphries (1998a) demonstrate how such violation of integrity may be embedded even in purportedly participatory or empowering processes. I was interested in moving from the insights of this critique to the transformational aspirations associated with critical theory. I sought to encourage participants to work together to address their concerns through communicative action, enhancing their social integration, while challenging systematic tensions and oppressions. Such analysis demonstrates the salutary observations of critical theorists. Participants reported our engagements enhanced their collective understandings and knowledge as follows.

The interviews brought certain issues to the forefront. It got people talking and passing comments that may not have previously been mentioned. I thought that the project is a good idea, because people have ideas but are not willing to say ... I had the feeling that people would end up saying what we wanted to hear rather than what they thought. As far as I know that did not happen.

I suggest the participants enhanced perspectives brought about through our work, countered (some of) the fragmenting effects of managements practices. I sought to explore and act on the ideas of truth, rightness, and truthfulness and to convey Habermas's concept of 'ideal speech situations' (Habermas (1990, p.58). Through his theories, Habermas (1989, p.142) seeks to contribute to enhanced understanding and enhancement of the lifeworld. He considers cultural reproduction, social integration, and socialisation each play a role in the maintenance of its components. He views the lifeworld of human relations as 'rational' as they are guided and generated through communication centred on ethical understanding. Habermas (2001, p.35 [1984]) contends the lifeworld as a system of symbolic forms achieved without force, based upon experiences and traditions bound in culture, established through dialogue and implemented through consensus. Sensing the participants' willingness to reflect on and work with their observations, we worked together to attempt to change the workplace dynamic. To do so, we needed to call upon a form of power that would serve our transformational intent. I sought to encourage them to make decisions through the power of agreement, as follows.

Yes, I was pretty impressed with it, because it was actually people getting a chance to voice their opinion and they could get changes made - there was really no other channel for them to do so. And the things we could do, we could actually make a difference. There was a lot of frustration out there, it was just not getting vented, well, getting vented, but nothing's coming of it... I think the strengths of the steering committee was probably getting such a vast array of opinions ... You [Linda] you'd try and provoke some thoughts on some things where you wanted it to get resolved. You would tell them what about this, and what about that, and try and get them going again.

Habermas (1977) and Arendt (1970), advocate the primary act of legitimate power is based upon agreement through mutual consent. In pursuit of the ideal of mutuality, Habermas (2001 [1984]) advocates rules of action are valid only when intersubjectively agreed and recognised through mutual understanding - communicative action. Through recognition of the power of

our reasoning and choice, together, we might co-create that which we strive to achieve. The following is one of the key participant's reflections upon our engagements.

I think it was a sense of being able, as you went along your daily responsibilities, to see how you could take that to meet other peoples' needs as well. From that environment I got a feel of where each person was coming from. So that in it self helped me to focus on how I could better help them ... I mean it was the advantage of being able to get their feel on their area. I was able to get amongst them all. I have found that through the increases in my job, I have been less and less able to spend time with other departments. I was able to get amongst them, but not on a basis where I had regularity to try and get a positive feel. It was interesting, it didn't give me a total idea, because you generally got ones or twos from each department, so I still only got their view anyway, but it gave me an understanding of their perspective... Everybody got involved and we were able to participate in it. Everybody was active in the discussion, it wasn't the same people. I think as a group it all gelled, there were not any negative discussions within the group. We talked and we all accepted different views; like, here is my perspective but maybe if we look at it like this, it was quite constructive ... that was the forum, that you could feel comfortable to be able to share your opinions without being mocked, and all that, that was really really good. There were not weird and far out ideas and what have you, it was good constructive ideas that were for the benefit [of all] rather than for anything else.

Alvesson and Deetz (2000, p.86) hypothesise a balanced system that sees the lifeworld and the system of markets as natural complements - or 'the system' as a complex of processes designed to support 'the lifeworld' rather than vice versa. Perline (1999) suggests many now believe that a more cooperative relationship between management and employees is warranted from both economic and humanitarian perspectives. During my engagement in the fieldwork, I sought to advocate that more balanced engagements are possible and desirable.

The following comments from key participants illustrate our movement toward such ideals.

From a staff member:

I think that you did a great job. You came into a company where you basically knew no body and got this group of people going. It was not like you gave us stuff to do, we had to go out and get the stuff to do as well which we did through the interviews... I think that you provided a fair amount of the drive for it as well though to get it all going ... I think it became a voice too, for the staff eventually... Definitely the trust [staff had in you Linda made a difference], you had been around for over a year, so you were not a new face either... Yes. You were that step away. You were somebody like a third party. I mean if the manager had conducted those interviews there is no way anything would have come out like it did. In fact if any of the management team had I think. But because you were an extension, but familiar, it worked. I cannot think

of anything negative, I think that everything that we did was for the good of the company.

From the financial controller:

I think it has certainly helped to change the management style ... It has been great. I have actually really enjoyed it... It is certainly a concept that I would support. I think that it is a sensible approach. Just how it is achieved is difficult to identify, it will vary between every company. There is not a simple model to achieve it.

From the manager:

For me in every organisation there is always staff participation, but the thing that most companies fall short of, and I believe we did a long time ago, we are getting better at it, is that there is too much said but nobody really does anything about it. You can always come to us with ideas, there is always an open door, you know, blaa blaa blaa. You know everyone says that sort of thing, but really there are not enough processes put in place or enough structure. Or the culture is not good enough to let that happen in a natural way. I think that is a problem with a lot of companies and I think that is a problem in areas like human resources. Where you can have all the textbook sayings, catch words and jargon, do a presentation and it is all very nice and everyone walks away from it. But I think that you have to just do it. I think that is why the participatory project that you have been working on is so good. Another thing is that it is very obvious thing that it is a long-term solution. It is not something that you can go on a course, come back and start on Monday and it is all right on Friday. It is not that type of thing.

Boxall and Purcell (2003) argue that people are interdependent and our diverse interests, pursued through a pluralist paradigm, need not press toward exploitation, but can express respect for difference. I argue that pluralist ideals are in the interests of democracy and justice. They provide a platform for respectful relationships that are a necessary component of employee well-being and employer dignity.

### **8.3 TIGHTENING THE IRON CAGE**

Habermas proposes a communicative theory of society based upon trust, while at the same time he recognises that trust can be in error potentially resulting in false consciousness.

Habermas (1977) views profit driven organisational pursuits through the power of force as a form of structural violence. He suggests that it may not be manifest as force, but discrete systematic moves to block communications through which people might otherwise clarify their positions and thus lead people to form incorrect convictions. Deetz (1992) suggests

managers utilise various practices to fragment workers' consciousness, to isolate and colonise them and consequently co-opting them toward organisational goals. Habermas (2001 [1984]) and Deetz (1992) do not accept attempts to exert power over others through exploitative means as legitimate, nor do I. The risk that the ideals of purportedly employee driven, participative processes, may serve to tighten the grip of management on staff, became a real issue in the second phase of my research.

I used the same core question in both sets of focus group interviews conducted in 2001 and 2002, with the addition of questions regarding the project itself in 2002. The second set of interviews produced a higher proportion of feedback from staff regarding their dissatisfaction with some management practices. The financial controller was able to action several responses based upon the staff observations changing and in many cases enhancing management practices for what appeared to be the benefit of the employees and the firm.

After our second set of focus group interviews and the report generated from staff perspectives was distributed, the manager changed the nature of the participative project toward what I consider is a management-controlled project. He changed the members and changed the name of the group to the 'focus group'. The manager appeared to have difficulty with upward communication regarding managements' actions as communicated in our second report. Where he had praised the project initially when it produced actions that directly improved production and therefore profit, he later criticised the project when staff commented more directly regarding management practices. The next two excerpts indicate first, a staff member's insight into the manager's attempts to re-direct participative engagement with staff to increase management's instrumental control over staff; followed by the financial

controller's acknowledgement that management needed to communicate more openly with staff, apparently seeking to move in a different philosophical direction to the manager.

I don't know how they arrived at this [change away from our PAR project], well, I've got an idea about how they arrived at the focus group, and I believe it was hand-chosen people that he [the manager] can guide in his own direction, if you like.

[The Financial Controller] To me it [our second report] is a very strong indicator that communication lines need to be better thorough out the company. Very simply by talking to somebody about it some of these problems would have gone away. Why fester for a year when you could have gone and spent two minutes talking.

Consistent with Habermas's and Deetz's analysis, the various discourses of 'empowerment' through greater 'participation' have been argued to contribute to 'the tightening of the iron cage' an illustrative metaphor provided by Weber (1976 [1930]) and re-worked by Barker (1993, 1999). Critical researchers such as Barker (1993 & 1999), Humphries (1998a), Deetz (1992), Alvesson (1996), Alvesson and Deetz (2000), and Alvesson and Willmott (1996a & 1996b) contend under the conditions of capitalist production what passes for employee empowerment, including some forms of participatory work practices, may be interpreted as co-optation and exploitation of workers. I suggest Barker and Humphries' observations are based upon participation implemented through instrumental action. In Barkers' (1993) work conducted in the USA we do not see attempts by management to curb what could be regarded as workers harsh interactions upon one another, which management at best tolerated but more likely set in motion. Humphries reports upon employment relations initiated in New Zealand under the Employment Contracts Act 1991 (ECA) an expressly exploitative time in our recent employment history. In this research, I began with an alertness to the potential of co-option and sought to guard against it. I anticipated that changes in the legal environment would support my aspiration to engage in less manipulative and more respectful relationships than those found by Barker and by Humphries.

In my research the principles upon which the Employment Relations Act 2000 (ERA) was founded met with philosophical resistance from management. Management appeared to implement the ERA initiatives through a unitarist discourse. Despite new legal requirements implemented under the ERA, union membership was overtly discouraged in the firm. In response to my questions as to why a particular employee had not sought union support, he replied: “That would be a card I could play only once”. He reported management would find covert ways to punish staff for utilising union support. He suggested that they would be assigned less desirable work and/ or that their employment might be terminated based upon ‘other’ reasons, therefore, he had not joined a union.

Through an embedded unitarist rhetoric, managers are able to maximise profit above human and social endeavours (Alvesson & Willmott, 1996a) while claiming they are primarily accountable to shareholders (Friedman, 1962) and maximisation of profit as their fundamental measurement of success (Alvesson & Willmott, 1996a). In addition, Habermas (1977) and Deetz (1992) argue managers strive for success on their own terms through instrumental action. I argue that when the power imbalances inherent in capitalist enterprises are explicitly condoned or obscurely expressed through the hegemonic effects of widely embedded unitarist rhetorics to serve the interests of a limited group of people (disguised as ‘economic growth’ or ‘organisational profits’), at the expense of the well-being of the people who serve to generate this wealth, the participatory and emancipatory ideals expressed in democratic understanding of justice and fairness will not be met.

I [the financial controller] think that one thing the staff do not realise, is the significant amount of pressure that is brought to bear from outside. From the market, they have no ideas of what it is like to work within the boundaries of the practices that we have to work within. The German parent company is very capitalist oriented to companies and very harsh to companies if it is not perceived in the right light. Shareholders in German companies, in my mind anyway, seem to be extremely unforgiving about negative results in accounts. So if you do not meet your targets, your share price

seems to drop. You really have to do what you say to your shareholders you are going to do. That is just my impression, having seen what has happened over the years with our company...

Maybe they have been quite smart, that in Germany they work to make themselves look good and they push the harsh practices out to the other companies around the world. Maybe I am being a bit cynical. I suspect there will be very good high staff levels in most companies in Germany, because they are very nice socially responsible people in that company. But in New Zealand, no you cannot have staff, make them work harder.

Increasingly, wherever western enterprise is undertaken, work is conceptualised as an activity to be conducted through 'the market'. Such activities are made subject to the reified preferences, values, rules and procedures that are used to underpin the seemingly solid foundations of the now dominating capitalist 'system'. According to Weber (1976) this 'system' is superimposed on human endeavours and eventually 'dominates' not only "isolated individuals alone, but a way of life common to whole groups" (p. 55). This process may be imposed through the overt imposition of financial or political power or through the more subtle effects of hegemonic control, an infiltration of instrumental values that serve 'the system' regardless of its pain to individuals (Barker, 1993, 1999). This latter, hegemonic type imposition, Habermas calls 'the colonisation of the life world' (2001 [1984], 1990, 1989, & 1988 [1967]). The following excerpts from a conversation I had with the leader of the management initiated focus group, illustrates the manager's effectiveness in dominating his thinking at that time:

With the focus team, there's probably a bit more [of a] channel, a lot of us think along more the same sort of lines I think. Not like we're all robots, we all have our own opinions still... Probably the down side of the steering committee was that I think management got bombarded with a lot of negative things all at once in the second report. Management probably stepped back quite a bit from it, and did not really see the steering committee for what it was. And it probably put a bit of a bitter taste in their mouth at the end of what the steering committee had done... Well, they [the steering committee] were the bringer of the news. And they [management] probably thought that they were the provoker of the news as well... That's probably the thing too with this focus team is the ideas are usually going to be positive for the company... I guess we're the buffer too, between the floor, the workers here and

management. Whereas we're going to sort out that, all the crap, and management only want to see the end result... Yes. And they don't want to be, you know, say for instance, if an idea comes up and it's directed at management, the way things are done, we'll try and sort it out there, and come up with a positive thing for that, so when management see it, it's not as abrasive as it would have been straight off the floor. So I guess we're the buffer between the two. Whereas with that [second] report there wasn't too much buffing on that. It was, as it was said, put together, but still, as you say, in your face. Oh, you say you couldn't betray the trust of people that are giving you suggestions... That is probably something I've learned from the steering committee; is that management probably don't like that sort of thing in their face, and you just, probably don't go there. They like positive feedback.

In order to expose domination of his employees, I also sought to contribute to enhanced understanding of systematic processes of colonisation. The manager appeared to have a history of approaching situations, including staff layoffs, as opportunities to (re)enforce management control, (re)focus staff attention upon organisational requirements, to enhance generation of profit and maintain social division through employee fear for their employment. We were not always able to counter managements' instrumental actions. Initially the participants appeared to accept the managers' views as definitive. In my second set of interviews, however, staff expressed their critiques of management practices overtly, a practice which the manager moved to quench and to discredit. In the following excerpt a key participant describes one of the manager's control strategies.

He will drop the bomb just like that. It was a shock. I was surprised. Initially I felt, well you [the manager] think that we [the steering group] are not doing anything and you want to replace it with your own team. But I think that the objective of making it more a part of the structure of the company was a good thing.

At the same time that the manager moved to quench and to discredit staffs' expressions of their concerns, he worked to address many of those raised. This manager sought to 'punish' staff and to restrict opportunities for them to engage with each other through reduced access to the staff room. He also moved to refocus our PAR project to bring it more directly under his instrumental control, in so doing demonstrated its 'threatening' emancipatory potential. These mixed messages did not go unobserved by staff.

## 8.4 CONSCIENTISATION

Hegel's concept of phenomenological experiences where participants engage in self-criticism and self-reflection as a critique of knowledge and in order to disperse the normative conceptions of science and ego was discussed in Chapter Two. In phenomenological experience Hegel offers no absolute fixed points, but critical consciousness as a vehicle to move through systematic repetitions of self-reflection (Habermas, 1971). The following excerpts reveal some of the self-reflection that the participants engaged in.

[Loyal to the firm?] Yes, but I think it's out of more a necessity than a real loyalty, it's hard to tell what each person mind is, but speaking to some people they might be putting masks up. But I guess the crunch comes when each individual and gets offered another job somewhere else, at slightly improved conditions, and that would be the test of the loyalty I guess.

In my fieldwork I observed participants place organisational needs above their own consciously allowing the system to impact adversely upon their lifeworlds. Participants, for example, initially expressed their appreciation that the company occasionally provided 'beer and pizzas' in acknowledgement of their regular working 50-55 hour weeks (up to ten hours per week unpaid overtime). They reported that they were often fatigued, reluctant to take holiday leave due to pressure of work and were concerned about their employment security. Such 'pragmatic rationalisations' as Habermas termed them, were viewed as 'trade-offs' by Deetz, and subordination of one's own will by Marx. A combination of instrumental factors can serve to suppress immediate feelings of resentment and crisis. Analytically speaking, 'normalised' these conditions have the potential to bring about inner colonisation. Scully (1998), however, suggests that workers have more savvy than they are sometimes given credit for:

Now I don't know how the focus group [management's new group] is working but, from what I've seen from the start it already has a higher level of management input,

and it's maybe too high at this stage I think. It's not going to be an independent type body. It's going to be hand-selected troops; so it's not necessarily give a broad, general range of ideas and beliefs within a system. In a way I don't see the focus group, or the change to the focus group as the same philosophy of concepts [as your project Linda], but I haven't talked with people, but I think the leadership selected for this focus group doesn't exactly show a lot of participation in the other group, in the steering group committee. So, I don't think any of the skills that were found in the steering group, or built up there (which takes a long time to realise), but they're not going to be passed on to the focus group. So that's why I believe the focus group will be totally a different approach completely. There's only one member from the old one so how can information come across except if it's by your input [Linda's] once again. And I believe management designed it that way. I don't believe it's an accident that that's happened.... I really don't know, because I haven't got beside the other members to quiz them on what's happening in the committee, I've sort of lost interest in a way in what's happening. Some of the things already, I just wonder whether they are very wise moves; they're talking about paying for good ideas, and I think that can lead to divisiveness in a big way further down the track.

Certainly the participants in this research demonstrated that they were aware of their circumstances. Their expression of their dissatisfaction with the situation was emboldened as the research progressed. I deem their growing confidence to be an outcome of trust in the process and in their own critical reflections.

## 9 PAR: AN EMANCIPATORY PROCESS IN THE MAKING

The primary purpose of this research was to investigate the extent to which my proposed research participants and I might achieve more respectful non-exploitative working relationships. I imagined a research project that would not only investigate the extent to which genuine employee participation in decisions affecting their well-being is possible, but through which I could facilitate and support such participation despite the unequal power relations embedded in capitalist relationships. I drew on the work of Habermas precisely because he provides both a critical analysis of ‘the system’ of markets and a means to engender respectful relationships between unequal parties. Habermas provided me with not only an analysis, but with an ideal to strive for – relationships which are nurturing of our ‘life worlds’. His ideal, articulated as ‘communicative action’, became my research guide.

Habermas (1989) reflected upon Durkheim’s analysis of the “dysfunctional” (p.117) nature of the division of labour, focusing upon differentiations within its systematic and social integrations. He analysed Durkheim’s concept the *conscience collective*, the interrelations of culture, society, and personality and defined it as ‘the lifeworld’. This ‘life world’, according to Habermas, is enhanced through communicative action. He attributed the dysfunctional nature of the division of labour to tensions between participants’ lifeworlds (social integrations) and the systems embedded within the processes of production in which people must engage. Habermas (2001, p.13 [1984]) contends that when open intersubjectivity through communicative action is achieved, the needs of the lifeworld and the system might be met through mutual understanding. Further, he argues, there is not a ‘necessary’ or ‘natural’ outcome of capitalist systems. Norms are based upon expectations proceeding from rules of action - instrumental or communicative – and we can – as human beings – elect how we will behave towards each other.

In this chapter I evaluate the contributions and outcomes of the research process to assess the extent to which we were able to achieve communicative action and moments of ideal speech. Through our work, the participants and I were able to achieve changes in the workplace that enhanced their lives; however there were some limitations to the level of influence we achieved.

## **9.1 CONTRIBUTIONS OF THE RESEARCH**

This thesis makes a theoretical contribution to the field of critical theory. In a particular workplace, I was interested to examine the potential of liberatory transformation deemed possible and desirable by Habermas. A transformation that would, by definition, weaken or eliminate the exploitative processes of the form of capitalism that have been the focus of critical theorists. Many critical theorists argue that managers seek to separate themselves from employees and other stakeholders by way of subscription to the principles of managerial prerogative. Deetz suggests lower level managers have little real influence upon profitability, instead they may focus upon control and self-interest. My work encouraged the managers to embrace pluralistic perspectives in order to enhance and broaden their understandings of their roles and to encourage them to consider more than self interest.

I contribute to workplace praxis through enhanced understandings of Habermas's concepts of instrumental action and communicative action, believing that the nature and quality of communicative action will contribute to social justice through the power of agreement toward mutually agreed goals. PAR methods enhanced well-being in the workplace for employees and managers, as is consistent with pluralist, sustainable, socially responsible principles. Deabsolutising ideas of reason through dialogue focussed toward examination of social

practice and historical knowledge assisted participants to deconstruct perspectives embedded in their thinking to facilitate consideration of alternatives for the future. Such processes are open to influence that can contribute to (further) colonisation. However, when based upon Habermas's and Deetz's notions of communicative action through PAR - embracing the principles of democracy through hermeneutic understanding – I argue colonising influences can be reduced and emancipatory processes developed. The negative influences of historical knowledge and instrumental action can be balanced through communicative action. Such practices enhanced worker well-being and democracy, while they also proved personally satisfying for many participants. Contribution to mutual well-being, transformed self interest into self satisfaction.

Founded upon the work of Habermas developed by Deetz and implemented through PAR, this thesis contributes to a deeper understanding of the ideologies of participatory practices in workplaces, their implementation and methods. The asymmetry in management practices that promote organisational goals through social constrictions largely focus upon disciplines and domestication achieved through implied unitarist principles of management for profit driven outcomes. I consider such practices are not for the 'best', nor are they our 'only alternative' as they are so often presented. Workers can engage more fully in workplace decisions through PAR founded upon communicative action principles, while progressively assessing their practices through co-enquiry toward organisational and personal well-being. We were able to make collective and collaborative decisions as Deetz, Grim and Lyon (2003) advocate. Through the echo approach we were able to engage diverse social perspectives through communicative practices designed toward full inclusion and 'voice' celebrating our diversity and opportunities to create new ways of being. There is a liberatory place for participatory practices in workplaces when implemented under an inclusive, cooperative, pluralist, mantle.

My research facilitates deeper understanding of the impact of employment law upon power dynamics within an organisation and its impact upon workplace well-being for participants beyond the site of study. The present New Zealand employment legislation is designed to provide an environment in which good will is deemed to be valued (Skiffington, 2001). It uses a lexicon that fits with my values and the articulations of Habermas's communicative action. Participative work practices implemented through PAR founded upon the power of agreement toward communicative action - acting in good faith and in partnership – provided the means through which both organisational and worker needs might be met. However at the micro level, participants reported and demonstrated residual fear enduring from their engagements under the Employment Contracts Act 1991 (ECA) (employment legislation founded upon neo liberal assumptions), while being employed under the Employment Relations Act 2000 (ERA) (employment legislation founded upon good will). It became apparent that the research participants' experiences under the ECA inhibited their willingness to resist forms of exploitation that were not legal under the ERA. The collective (un)conscious appeared to outweigh the emancipatory effect sought through the combination of more democratic legislation and PAR. We were only able to achieve limited participant resistance, while revealing participants' pragmatic rationalisations. Some participants expressed their understanding of legislative changes, but felt their employer would find ways to punish them should they attempt to resist. It appeared, the ERA did not provide the level of protection its authors sought to achieve.

I make a contribution to practice in the workplace and to emancipatory ways of working together beyond the field of study. Fostering the power of agreement involves turning away from investment in practices of instrumental control. Over time, ethical practices can facilitate

change away from co-optation and colonisation, to open opportunities for frank communication towards mutually agreed goals. Potential benefits for such practices are threefold. Firstly, enhanced personal satisfaction, integrity and well-being for those who engage in more healthy open dialogue and who agree upon their actions. Secondly, enhanced organisational practices achieved through robust co-enquiry and participation. Thirdly, reduced personal and organisational costs due to healthier happier employees, including reduced costs associated with stress, health and staff retention issues. Financial savings were not the primary focus of this project; however, the financial controller acknowledged such savings did result from the employees' fuller involvement.

## 9.2 EVALUATIONS

I took a practical interest approach in my fieldwork. I did not attempt to force my personal emancipatory hopes upon the participants. When participants' initiated conversations regarding issues that disquieted them, I asked probing questions and encouraged them to enter into action research spirals of enquiry. Over time my awareness of the workplaces unique practices, my own skills and confidence grew, along with my efforts to champion emancipatory ambitions of staff and to encourage management to reflect upon what sometimes appeared to be purely profit driven or bureaucratic assumptions. Sometimes managers agreed with my concerns regarding their practices, at other times I left our discussions for them to consider (following Lewin's advice to go through the doors that you can open and do not 'kill' ourselves trying to go through those that do not). Many times they indicated their acceptance of my concerns in subsequent conversations. Through our engagements I sought to address everyday workplace issues through PAR (a practical approach) grounded upon and working to model pluralist critical principles (an emancipatory approach).

I implemented PAR through practical means while hoping for emancipatory outcomes.

Perhaps I was naïve. I underestimated the power of the corporation. I argue however, that it was preferable to engage with the organisation as I did. I offered in all sincerity, an opportunity for mutuality and the enhancement of trust. It is a way of being in the world that I value. Within the fieldwork some of us realised levels of emancipation (realised our own potential as False-Broda 1991 proposed), we also recognised the exploitative power of the corporation and developed (or realised) theories to counter it.

Lewin hypothesised that discussions have different outcomes from decisions. He noted that when people decide to do something there is an enhanced link between motivation and action. He argues that participation in workplace settings must be founded upon trust and that this can have advantages for employers and employees (Marrow 1972). Trust, however, develops slowly and can be damaged in a moment. I view action research as a means through which participants might work together through principles of critical co-enquiry demystifying and challenging the situations that work against their well-being. Through such actions, participants may begin to recognise and address manipulation in their environments and instead foster the power of agreement in an atmosphere of mutual trust and open dialogue, toward mutually agreed emancipatory goals, as advocated by Habermas (1971 [1965]).

As a participatory action researcher with an emancipatory focus, many questions regarding ethical implications arose for me. How might I address situations where I anticipated outcomes I would not wish to be party to? How should researchers respond when employees, for reasons that seem sensible to themselves, choose to use action research to maintain or intensify processes of domestication or exploitation for themselves or other people they have

an influence over? The most constructive position for a researcher seeking integrity with their critical aspirations may be to attempt to stay in dialogue, and to be explicit about their concerns. There will be times, however, when researchers feel they must withdraw from such research. If the discussion is to generate the authentic interest of all participants, I advocate the articulation of a relational ethic (Humphries and Martin 2005) – an ethic that is deeply concerned with the relationships among participants – rather than the instrumental ethic focused on achieving organisational outcomes with minimal regard for the interest of all those affected. In situations that have become conflicted, it seems important to retain a relationship in the hope of finding a way forward. However, a deepened focus on relationships cannot supersede the investigation of the end purpose and a confident and firm positioning by the researcher for an emancipatory mode of engagement. Great relationships among a group of equals, supporting mutual well-being and collective flourishing, when exercised to the detriment of some other (perhaps groups unacknowledged by participants or the environment) generates the ethical questions about who we must consider as being affected by our (group's) search for well-being.

Another area of concern to me was the manager's apparent compulsion or encouragement for some members to participate in the steering committee. Such encouragement is difficult to avoid in work settings. I had stated I wanted volunteers and was not aware for some time that the manager had asked people to join us, this brought about an ethical issue that was out of my direct control. To overcome the apparent pressure and as a component of my overall philosophy, I did not attempt to force the members to participate, they could 'appear' to comply and evaluate the project for themselves. On occasions some did not attend our meetings 'due to work pressure' and possible due to varying levels of commitment. Over time, I gained the impression the manager had encouraged the financial controller to

participate partly in order to establish a level of control over the project, while communicating to me it was for his personal development. I was aware of these possibilities, but did not communicate them; I saw the financial controllers' presence as a challenge and as level of endorsement. I was of the opinion he was a strong man and he could leave the group at any time he wished.

I do not subscribe to 'social engineering' (to use Lewin's term) and sought instead to be participant led in my fieldwork as we discovered new ways of engaging. I value 'informed' co-creation of societies above the neo-liberal capitalist concept of 'free markets' where people are free to do well, or starve, or be exploited through hegemonic processes. I did not attempt to impose my understanding of colonisation and the exploitative unjust components of management practices, such an approach might have led to another form of colonisation. Instead I offered PAR through which the participants and I engaged and realised our individual impressions were not unique or lacking in value. Through our work they were able to decide how they wished to respond to the frequentative practices management had imposed upon them. The participants and I worked together. I did not seek to 'teach' them in a formal fashion about my views regarding exploitative management practices or the concepts of critical theory – but hoped our work might encourage them to confront exploitation where that was their experience. Some communicated their awareness of what critical theorists refer to as the colonising effects of management discourses. In these situations I sought to assist participants to critique their perspectives that they might decide how they wished to respond. I offered the PAR projects as vehicles through which change might be sought. The echo approach allowed participants to take the lead, they were able to contribute anonymously in discussions and to decide upon their goals. However, my efforts to avoid imposing my perspectives exposed my work to co-optation by those who worked within the organisation

toward instrumental goals. In the face of this realisation I encouraged further spirals of PAR and reflection.

As the leader of PAR within an organisation I found myself facing a paradox, I was intolerant of intolerance as I sought to engender co-enquiry toward increased emphasis upon human values. My challenge was to initiate co-enquiry toward what I perceived to be more democratic engagements with participants who were themselves embedded in a dictatorship (an employment relationship) without myself engaging in autocratic behaviour. I wanted the workers and managers to develop a more democratic workplace. I anticipated this might entail the workers asserting their personal value(s) and the managers recognising their mutual responsibilities to thus engage. However, it was for the participants themselves to identify their respective goals and methods - they were generally not inclined to openly challenge the established assumptions. I initiated my fieldwork from a practical perspective, hoping it was an appropriate instrument through which the participants might choose to work toward emancipation. However, the imposed 'values' of corporate globalised business were, at times, too powerful for us.

Further, my generally non-confrontational approaches to what I describes as emancipatory PAR might be dismissed by more radical researchers as impotent. However, I deemed myself to be an invited 'guest' in the workplace and felt I could have been dismissed by management if they considered I was too radical. More importantly, I did not wish to impose my views, but instead sought to engage in co-enquiry with participants both management and workers. I could not impose without a breach of my own understanding of mutuality. Is that not a crucial difference between a dictatorship and a democracy? I hoped workers and managers might develop a more democratic work place, workers might take responsibility to assert their

values and the managers to recognise them. As an external independent ‘consultant’, I was able to engage with management in ways the employees (w)could not; however our joint endeavours were limited by their relationship with the unseen owners and their New Zealand managers.

At times in my fieldwork I was not entirely sure if the participants’ communications were exploitative and/or instrumental. Upholding responsibility for principled positioning of myself as actively working against exploitative workplace conditions, participatory methods seemed most in keeping with the relationality suggested by Habermas in the achievement of a respectful mutuality through the research process. But how do we distinguish ‘real’ from ‘illusionary’? The liberatory aspirations of critical theorists are deemed to be limited by the reductive and structural tendencies of their analysis, often expressed as generating ‘paralysis by analysis’. Habermas did not attempt to distinguish between real and illusionary relationality. He argues, that such enquiry might be endless and not very fruitful. As critical researchers we can use the Hegelian doubt in balance with the Habermasian hope to work towards a culture in which oppression and degradation of any sort is NOT tolerated. To that extent we can claim the legitimacy of our intentions to affect the collective unconscious. Although difficult to articulate and highly personal, I sought to engage frankly and to gain strong senses of mutuality that active engagements toward intersubjective agreement, coupled with attention to conflict, might provide deepening insight into our relationships. As discussed in Chapter Seven cognitive conflict can contribute to worker and organisation well-being or alternatively (as suggested by Davis-Blake, Broschak, and George, 2003), employees can respond to deterioration in the employment relationship through loyalty, voice, or exit - potentially costly in financial and human terms.

Over time a key weakness in our work emerged. It was not a formal component of the organisation's operations and I was not formally recognised by all of the managers. As a consequence, I did not receive some communications and I had limited voice. Although from my 'external' position, I was able to challenge management in ways employees might not. And staff reported they trusted me as I was familiar to them but not a part of management.

### **9.3 RECOMMENDATIONS FOR FURTHER RESEARCH**

In my fieldwork I focus upon identification of Habermas's concepts of instrumental action and communicative action at the micro level, seeking to enhance balance between lifeworlds and systems through mutual trust, sincerity and legitimacy toward mutually agreed emancipatory objectives within workplace settings – the ideal. Upper management's motivation to enter into open dialogue appeared to be low, resulting in a sharp shift toward instrumental action in response to upward communication from staff in the latter part of my investigation. My research demonstrates some of the means by which management moved to co-opt attempts to enter into communicative action through instrumental action. In this research I do not seek to identify motives for instrumental actions, but recommend further research into such practices and into examination of means by which such behaviours might be exposed collaboratively through PAR. Enhanced understanding of motives for such exploitation might also enable enhanced resistance.

The current New Zealand government took a conscious decision to acknowledge the social and economic repercussions of its rapid move towards neo-liberalism, as epitomised in the ECA. It made an explicit commitment to a Third Way, as epitomised in the ERA. However willing we may be to establish economic alternatives, it is advisable to critically evaluate and monitor alternatives in order to identify and therefore redress potential negative implications.

Those that support the neo-liberal model raise concerns regarding policies which may negatively impact upon human character. They hypothesize intervention diminishes opportunity for people to be of service to each other and encourages people to look to the authorities instead of to their inner strengths. Those who promote The Third Way argue it has the potential to create more equal societies, where governments can act in partnership with agencies in civil society to foster community renewal and development. I recommend further research into applications and outcomes of The Third Way, its consistencies with neo-liberalism and outcomes both economic and social.

The imposition of power and the exploitation of others, through the harnessing of their energy and commitment towards the aggrandisement of selected interests is inconsistent with the concurrently expressed values and beliefs associated with participatory democracies deemed to be a necessary aspect of western identity – an identity proffered and/or imposed on all [potential] trading regions (Kelsey, 2003). Within this thesis I tested the potential for participants to implement pluralist principles and changes from within an organisation. We were unable to establish significant organisational changes, although we did achieve some success. Through this work my focus has shifted toward seeking to identify ways to encourage participants to question and challenge domestication, hegemony and disciplining within countries that are open to exploitation by global organisations. Legislation is required to protect citizens, although I also anticipate potential for the hand of corporations in law making due to their economic influence as identified by Alvesson and Deetz (2000). In this thesis I am focusing upon employment law, others might focus in other areas.

A dilemma that emerged in my fieldwork is complex to address - pressure from the shareholders to achieve financial gains, apparently above potential human costs. I discussed

this situation with the financial controller. He was of the opinion the firms multi national shareholders focused overtly upon profit in their foreign subsidiaries, while operating under different guidelines in their own countries. Further research and action is recommended to see whether this assumption is valid and how, then, we might hold 'foreign owners' to account.

In this thesis I work to champion the collective or common conscience through emancipatory PAR and to contribute to understanding of potential applications of Habermas's concepts of the system and the lifeworld. However the participants and I appeared to be limited by capitalism and self interest. How might multi-national corporations be encouraged to adopt emancipatory practices? Perhaps through consumer pressure, through legislative pressure, through realisation of potential financial benefits from becoming employers of choice, or due to the integrity of their decision makers. Further research is required at national (legislative) and global (corporate) levels.

#### **9.4 CLOSING COMMENTS**

Often intangible, and sometimes fragile, the lifeworld of culture, society, and personality is always present constantly providing the background of who we are. It provides the shared stock of taken for granted assumptions through which we seek to understand the world.

Various thinkers have called this the conscious collective. Through communicative action, the lifeworld is able to flourish and participants' are freely able to reach agreement. Ideal speech situations are not always achievable; participants never have all contingencies under their control. However, I contend ideal speech situations are worthy of pursuit through PAR, that together we might optimise opportunities for all to participate in search of well-being, including in the workplace.

I urge researchers to engage with those whom they work, to search for means to address imbalances of power in employment relationships. In this thesis I focus upon employment law and communicative action through emancipatory PAR; however, through the power of force imbalances of power remain. I am encouraged by Lewin's recommendation that we increase our emphasis upon human values' and safeguard against the misuse of individual freedom. It is possible to conceive that through ethical principles as expressed through the power of agreement, firms might be more ethical in their pursuits. I urge management to recognise their employees' rights and work with them toward truly participative practices grounded upon the power of agreement.

I advocate PAR through communicative action implemented toward emancipatory objectives. Though I realise it might be difficult to achieve, I strive for an ethic that addresses exploitative participative practices, moving instead toward social change through the formation and transformational aspects of group membership and personal identity. Such changes, when enhancing rather than diminishing employee influence on the nature and outcome of employment, illustrate the possibility of human creativity through their intentional action to achieve change, to inspire hope and further action for the transformation of organisational communities. To aspire after genuine dialogue in workplace relationships seems infinitely preferable to a pre-supposition that all communications between employees and managers in capitalist workplaces will be false or manipulative. The fieldwork that contributes to this thesis illustrated examples of communicative action, it also illustrates examples of managements' endeavours toward instrumental action. Researchers' must maintain their critical analysis and be ever vigilant to avoid exploitative practices if the ideals of a just society based on democratic values are to be advanced.

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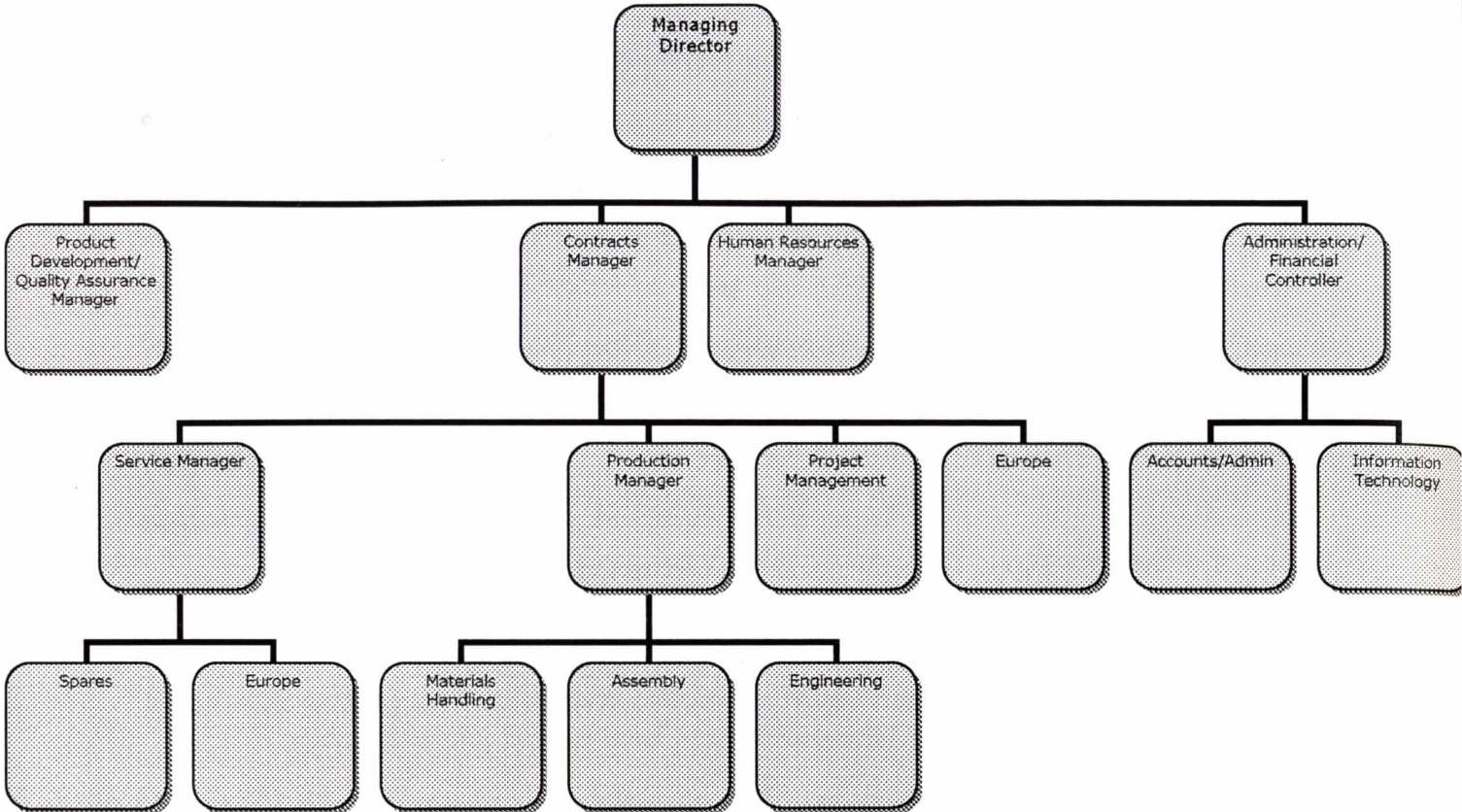
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Appendix A



## Appendix B

### The Main Projects

- Established a Steering Committee
- Interviewed all staff in the firm using 'Echo' questions: 2001 and 2002
- Analysed and processed the results of the interviews in participation with the Steering Committee
- Wrote reports for management based upon the interviews
- Wrote a shorter report for the general
- The Steering Committee identified and engaged in a series of actions in response to the interviews, in consultation with staff and management
- Flowers were presented at a staff meeting in appreciation for a staff member's ongoing efforts and to another to celebrate completion of a degree
- Non-alcohol drinks were made available at staff functions as suggested in the interviews
- A major project was undertaken to re-design the computerised timesheet record system. This project was conducted by a team of staff from the firm under the direction of steering committee members. Participatory Action Research principles were embraced through the project involving staff in design and pilot tests
- A series of staff presentations have been introduced during meetings, in order to enhance communication and understanding between departments, in addition to encouraging staff input. The Steering Committee also suggested that management provide more information before meetings so that staff might be able to prepare themselves to speak if they wished
- A 'one stop shop' area for detailed information on each project was established and maintained. It reduced staff aggravation, misunderstandings and improved efficiencies in the firm
- A debriefing process has been proposed for the completion of projects to improve communication and efficiencies for future work. Project debriefing was included in the documented sign off process to ensure its continuation
- A special project has being initiated by a Steering Committee member to look into methods for recognising staff efforts in addition to salary (salary review and bonuses)
- Signs are to be mounted onto machines on the shop floor to assist their identification
- A library was established to house and track key update documents
- Management's Quality Assurance project included general staff involvement through Participatory Action Research methods
- Staff explored the possibilities of a new uniform and invited sponsorship by suppliers
- Decision making was increasingly implemented through participative enquiry