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UNIVERSITY OF GLASGOW

DEPARTMENT OF SOCIAL AND ECONOMIC RESEARCH

JAPANESE AND US MANAGEMENT IN BRITAIN, PRESENT PATTERNS
AND FUTURE TRENDS.

by

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A thesis submitted for the degree of Doctor of Philosophy of the

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S U M M A R Y

The thesis is essentially in two parts. The first, Chapters 2 to 4, is a comparison, using the case study method, of aspects of industrial relations in two British plants, two American plants and two Japanese plants all located in Britain. The second section, Chapters 5 to 8, is essentially analytical and uses the empirical results as a basis for a theoretical explanation of the reasons for the differences. A continuing contemporary link is provided by relating the analysis to recent events in Ford (UK) plants in Britain and industrial relations information emerging from the recently established Nissan plant near Sunderland.

After delineating the field of interest, viz., the cultural implications for industrial relations of foreign companies manufacturing in Britain, the questions raised for industrial relations and the objectives of the research programme are set out.

Throughout the programme two British plants in Britain are used as a comparator and Chapter 2 logs and explores some of the salient features of those two labour forces. This is followed by a description of conditions and industrial relations in the four foreign owned plants, and a point by point comparison of attitudes at work in the six labour forces.

With the shift to a new theoretical level in Chapter 5, a central place is still given to the empirical evidence but an attempt is made to interpret the facts within the broader environment of three different socialisation processes emanating from the UK, Japan, and North America. More specifically, three core areas of interest are examined, the relationship between socialisation and the working environment, the relationship between socialisation and employee attitudes at work, and the relationship between the three national cultures, worker perceptions of management and management styles.

Chapters 6 and 7 seek to answer the remaining questions for the programme arising from the initial analysis in the Introduction. Chapter 6 is concerned with cultural absorption. Employee motivation is selected as the point of departure for the discussion which is developed to include issues of loyalty in the work place, job satisfaction and democracy. It is suggested that business, driven by product market

pressures, is able to impose some ownership/management cultural conformity, if only temporarily.

The penultimate chapter identifies the style and character of the relationship between managers and managed as the key area for cultural analysis. In this regard the concept of the family as used in industrial relations and as found in the six plants of the programme, is examined and assessed. The Japanese "advantage" is explained with reference to historical features of that culture and compared with some American pleas for over-arching values. There follows a discussion of the way in which concepts of individualism and community are handled in the three pairs of plants with particular reference to the basis of team working in Japanese culture.

The concluding chapter argues that there is a sense in which Japan may be the future of the West particularly in the field of industrial relations, in team working, flexible working practices and varieties of status in the labour force. The effect of socialisation, however, could prove to be crucial. In particular it is argued that employee perceptions of the category of the moral as distinct from the utilitarian are likely to shape outcomes where different cultures conflate at the place of work. Furthermore, there appears for a number of reasons, to be enhanced tendencies in foreign companies locating in Britain to adopt a more primitive capitalist ethos than that prevailing either in the host country or in the country of origin. Nevertheless, the incoming Japanese particularly, bring with them strong and distinct cultural parameters which are sufficient to shape distinctively industrial relations in their plants and to distinguish them from practice in American owned plants despite the tendency of the host culture to constrain and erode.

It is recognised that this "snap-shot" type of study is inherently weak in determining questions of cultural absorption. Yet it does appear that in the crucial areas of authority, conflict and employee attitudes, in the work place, the Japanese seem to have induced a cultural shift, however temporary, in favour of the efficient running of the enterprise, that is not equalled at any of the other four plants.

Finally, it is argued that the Japanese are successful in creating at least the illusion of democracy, and that in this respect their socialisation offers a number of advantages, not least of which is its

intrinsically spiritual character and its ability to coalesce effort in the work place around commonly agreed objectives.

CHAPTER 1.

INTRODUCTION: THE BASIC QUESTIONS AND RESEARCH OBJECTIVES.

"Before industrial relations can be studied, one must first study how the actors acquire the features of their identity that remain fairly stable over time and, further, how the collective action domain is shaped." Maurice, Sellier, and Silvestre.

The issues which the research seeks to explore are becoming ever more important for British employees and the development of industrial relations, as more and more foreign owned companies are encouraged to set up manufacturing units in the United Kingdom.

Until recently it was felt by many observers that the cultural clash between the socialisation of the owners and foreign managers and that of British employees was not significant for industrial relations. Amongst academics, W.W.Rostow(1), Daniel Bell(2) and others promoted a strong conviction of the validity of cultural convergence throughout the capitalist world. It was felt this would swiftly lead to uniformity of behaviour and response in the workplace that would allow management methods, control mechanisms and industrial relations praxis to develop a global uniformity of style to match capitalist production's increasingly international sphere of operation. In the 80s high levels of unemployment and market oriented philosophies in an increasing number of Western nations seemed to support the view that cultural differences between owners and managers and the indigenous labour force were of minimal consequence in comparison to the radical drive for efficiency fuelled by increasingly fierce competitive forces at the global level. Now in 1988, in the aftermath of the Ford dispute in England, there are signs that cultural differences have more enduring consequences than was at first believed. Ian Gow, while he believes that "the cultural argument.....is oversimplified", admits that "of all the Japanese cultural traits, mature adaptation and learning from others, allied with a continuous improvement ethic, may be somewhat alien to Western industry." (3)

Nevertheless belief in convergence remains strong. R.M.Marsh and H.Hiroshi conclude their paper on the internationalisation of Japanese management with these words, "In the main, however, our Japanese authors clearly see convergence as the dominant trend. Thus, our hypothesis that 'made in Japan' organisational structure and management decline over time and that a convergence towards Western forms occurs as multinational strategies are played out by Japanese MNC subsidiaries must be regarded as provisionally confirmed." (4) While theories of cultural convergence have not been universally accepted, only recently have major studies of enterprises in closely related cultures (Germany and France, and Britain and France) been published which indicate the

effects of an enduring cultural difference in the work domain in nations that have had an extensive and long-standing trading relationship. For example, Maurice et al(5) have argued strongly that stratification of the workforce is influenced by "education, organisation, and forms of collective action. No analysis of the autonomy of labour relations is possible without taking into account not only these factors but also the principles that govern their interaction."(6) Also "our approach to the firm goes beyond the approaches taken by other theorists of organised action. We have been able to do this by systematically taking notice of how the workers are socialised and how this shapes the social relations in which they subsequently become involved."(7) And D.Gallie(8) concludes his major study "In Search of the New Working Class" with these words, "The major determinants of worker attitudes were seen to lie in the particular type of local industrial or community setting in which specific sets of workers were located. While such local factors may be of some significance, we would suggest that rather more important are certain broader cultural and social structural factors, which can vary between societies and which can create quite distinctive social situations for their respective working classes. For, while Western nations share a common capitalist mode of production that generates similar conflicts of interest between employers and employed, this underlying system contradiction can have very different consequences at the level of social integration. The crucial mediating variables, we would suggest, are factors like the managerial ideology, the typical structure of power in social institutions, and the ideology and mode of action in the trade union movement characteristic of the specific society. Moreover, if we are to understand the differences between the working classes of the various Western societies, we will need to look much more closely at their pattern of historical development, and examine the way in which different historical experiences have generated distinctive cultural and social structural patterns."(9)

Thus while those who adhere to theories of cultural convergence may also acknowledge the importance of the effect of socialisation at work, Gallie and Maurice et al are able to show differences in effect of socialisation processes in countries which may well have been thought to have converged culturally some time ago. In a recent paper on the same subject Dickens and Savage(10) identify a number of key areas of

Japanese praxis which they contend will be extremely difficult for British firms wishing to adopt or adapt Japanese practice to ignore. Their six areas are in fact socio-cultural in type ranging from "vertical relations between classes in large organisations", to the relationship between the state and the company and including the presence in Britain "of a comparatively fragmented and relatively autonomous 'middle' or 'service' class working mainly in small companies", "my homeism" amongst British managers, the close interrelationship between finance capital and manufacturing capital in Japan and the "often antagonistic separation in Britain...between land ownership and capital ownership". (11) They expand this point to say "A powerful but distinct class of landowners in Britain....has separate claims on the profits being generated by manufacturing capital". (12)

The conviction of all these scholars that the effect of technology is mediated by a social effect and that the division of labour is not just technically determined but also depends on social relations and perceptions of what a person is capable of, is the starting point for this thesis, which begins by comparing the scope and provision of working conditions and employee responses to those conditions in six factories in Britain in the nine month period November 1985 to August 1986. Two of the factories are Japanese owned and two British owned.

American owned factories were chosen for examination since North America is the major foreign investor in the United Kingdom and has been a significant manufacturer in Britain since the beginning of the century. Japanese owned factories were chosen for several reasons. Firstly, the strength of the Japanese economy and its obvious industrial success is of widespread interest, not least to people in Britain. Secondly, there may be a qualitative difference between the cultural background of the Japanese economy compared with virtually all other industrially developed nations. Thirdly, Japan now shows every sign of becoming a major investor in Britain and perhaps more importantly for this study, a major employer of labour in Britain. David Thomas recently reported that, "The U.K. would retain its position as first choice for investment by Japanese electronic companies in Europe." (13) Incoming Japanese and American managers will themselves be socially conditioned by their country of origin. They will inevitably view industrial relations from the perspective of their culture. Although the company

may well have researched British industrial relations praxis before setting up in Britain and indeed consciously decided to emulate British practice in regard to industrial relations, inevitably American and Japanese cultural mores cannot be entirely subsumed. For example many national cultures appear to have a natural propensity to imperialism. Archbishop Helder Camara talking about "la théorie officielle qui gouverne le Brésil" says, "Alors, la géopolitique dit que la prochaine première puissance mondiale, le prochain empire, sera le Brésil." (14) The demands of global manufacture would appear to find this aspect of national culture particularly congenial, and in the case at least of Japan, and historically Britain, strengthened by messianic overtones of the value of that particular national culture for the rest of the world.

The Ford Motor Co. operating out of a North American culture with world headquarters in Detroit, has moved to a position where an attempt is being made to impose a uniformity of working conditions and working practices throughout the company's plants in many different parts of the world. A major issue in the English strike in February 1988 was the signing of a three year agreement on wages and conditions. Ford had already signed three year agreements with employees in the U.S., Spain, and West Germany, were hoping to extend this practice to other countries, and aiming thereby to synchronise wage negotiations and harmonise working practices worldwide. At the economic level Ford's desire to synchronise and harmonise may be interpreted as driven by the need to increase efficiency in the face of competition. The point being made here is that imperialistic tendencies in national cultures serve the same ends and give an appearance of rationality and even desirability for global uniformity that enhances the economic arguments. Thus America and Japan and many major industrial countries are the natural home of multinational companies. That is, they are the home of MNC's not simply because they are the most efficient and profitable way to operate but because their culture encourages multinational expansion even if simply out of a misplaced conviction that that culture is good for the world.

Furthermore as the Japanese economy continues increasingly to dominate world trade it is seen as the model to emulate and if possible to overtake- a complete reversal of the way in which, until very recently, Japan saw the West. Many of the changes in working practice

sought by Ford for its English plants were widely interpreted against the background of practice at Nissan in Washington, Tyne and Wear. In other words there is now an interrelationship between American and Japanese industrial relations practice which in the face of growing competition shows every sign of continuing. "The pressure on Ford to change working practices is partly the reflection of competitive pressure from Japanese producers," (15) and not so happily for Ford, "The speed with which the U.K. action has hit Ford's continental plants testifies to the progress which it has already made in its attempts to match Japanese productivity standards, notably in terms of keeping stocks of components at its assembly plants to a minimum." (16) The type of impact foreign managers and foreign ownership make on the indigenous labour force and industrial relations practice forms the starting point for the questions of this research programme.

Culture.

Before considering those questions it is necessary to try and clarify what is meant by "culture". The classic study of the concept was made by Kroeber and Kluckhorn. (17) They identified more than 150 definitions of culture and concluded that "Culture consists of patterns, explicit and implicit of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values; cultural systems may, on the one hand, be considered as products of action, on the other as conditioning elements of future action." (18)

Their definition embraces the two basic strands of human behaviour, the ideal and the practical, thought and action, although they seem to place prior emphasis on ideas - "the essential core of culture..." Throughout this thesis the word "culture" is used in relation to a group of people, the group forming a nation (national culture), the group forming the capitalist nations of the world (capitalist culture), the group forming the total labour force in a factory (factory culture), the

group constituting a company and thus embracing perhaps several or many factories (company culture).

The above definition of culture can therefore be adapted for an organisation such as a company to read "Organisational culture is the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problem of external adaptation and internal integration - a pattern of assumptions that have worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel, in relation to those problems." (19)

Thus the culture of a group of whatever size, refers both to the ideas, beliefs and attitudes held by the group and to the material outcome of the group in terms of language, art, music, literature, social behaviour and provision, at, say, national level, and their equivalent at company level- production practices, industrial relations, management techniques, company philosophy and story telling etc.

A further complicating feature of cross-cultural analysis is the knowledge that the observer participates in what is being observed. Inevitably this thesis is written from the standpoint of a British cultural background. Nevertheless an attempt has been made to use what Dilthey(20) called "a sympathetic understanding" or "intuitive grasp". That is, the standpoint of the observer is not ignored nor is objective observation claimed, but an attempt is made to see e.g. Japanese cultural features from the point of view of the Japanese.

The issue of cultural transference raises questions of cultural production and change. In early human development there is what Williams calls a "symmetry" between cultural production and the culture for which it is produced. (21) A feature of modern developed societies is that much cultural production is not produced simply for one culture but for many. This in turn is giving rise to a convergence in cultural production but not necessarily a convergence of cultures. This thesis is particularly interested in asymmetry, i.e., the introduction of ideas, attitudes, etc., that differ from those of the host culture. For example, the introduction by Japanese manufacturers of techniques and practices not hitherto found in British factories.

This gives rise to at least two areas of tension related to the workplace, the question of control, and the impact of new practices and

attitudes on the indigenous culture. Both of these are explored in the thesis.

Asymmetry interrupts "normal" culture reproduction to produce change. If particular practices are considered, and these are of interest in the ensuing pages, it must be recognised that these cannot be separated from social relations including issues of ownership and the management of the factory. Foreign management (i.e., U.S. or Japanese) by changing work practices, impacts also on social relations, and much of this thesis deals with both of these areas.

What is being suggested, is that here there is potential for cultural change but also that the indigenous culture exhibits a surprising resilience to change as in the Ford(UK) plants in England.

Nevertheless, companies, including the six of this study, attempt to induce change by building company consciousness, by creating a group awareness, where the group (a factory labour force) is, by virtue of its work, already incipiently separated from the local community. Traditionally the group is sectionalised by differing wage rates. By trying to make these secret, as at Maxell and Hewlett Packard in particular, companies recognise the historical basis of group sectionalism and seek to destroy it in the interests of creating a uniform company culture.

Labour force resistance by sharing knowledge of wage rates, as at Maxell, was successful in countering company attempts to destroy group sectionalism and this was achieved, as it were, intuitively, without organised leadership, for the labour force was not unionised.

Significantly, over the issue of secret wage rates the company made no attempt to enforce its will and thus minimised the risk of producing in the labour force a class identification with workers in other factories. Instead, employee wishes in regard to knowledge of wage rates were respected in the interests of company harmony, itself a powerful concomitant of Japanese culture.

The thesis is based on the assumption that there are distinct Japanese, North American and British cultures, giving rise to three distinct societies in which the central activity of work reflects something of the culture in which it is set. "...since the problems of how "properly" to go about working and "making a living" face all human groups, we would expect every society, through its culture, to have its

distinctive way of making sense of the question of work and a distinctive set of values and priorities giving guidance on how its members should proceed with it." (22) This is not to say that either at the national level or at company level, cultures can be understood as static structures into which people are made to fit. They are evolving as the people who contribute to them contribute in turn to that evolution. What does this suggest for companies? It suggests that there may be a company philosophy, company song, and sets of rules and regulations, but that a) company culture is evolving and, b) in the one company, factory culture in, say, Japan is likely to be different from factory culture in Britain. In other words, a Maxell consciousness or a Brother consciousness will really only apply to one plant or at the most, several plants in the one national culture. "The organisation can be seen as something which is continually being negotiated by the intersubjective relating of its members to each other." (23)

Since this programme is essentially based on six factory studies, at a particular moment in time, interest centers not so much on company culture as it changes over time, but on organisational culture per se, which allows employees apparently to identify with the goals of the employers. During the 1980s company culture has been more widely recognised as an important contributor to market success. Companies with a tight, clear, uniform culture demonstrably perform better than those with a loose and incoherent culture. (24) Peters and Waterman (25) argued that the most successful organisations managed through a strong culture of shared values enshrined in company story-telling

The questions for the research programme.

The first of these questions is, given that people in Japan and the United States live within the context of two specific national cultures,, how does that context influence their employment practices when they employ others in a foreign country and therefore in a different culture? Is Daniel bell accurate when he writes "Changes in culture and moral temper - the fusion of imagination and lifestyles - are not amenable to 'social engineering' or political control. They derive from the value and moral traditions of the society and these

cannot be 'designed' by precepts. The ultimate sources are the religious conceptions which undergird society; the proximate sources are the reward systems and motivations (and their legitimations) which derive from the arena of work."?(26) To date, research on the behaviour of Japanese companies in Britain suggests that they recognise and accept the first part of Bell's thesis. They do not attempt directly to change the host culture. White and Trevor(27), who completed the only full length study so far (1988), of Japanese manufacturing practice and labour relations in Britain, found "...a great deal of diversity among the Japanese owned companies in Britain", and indeed concluded that "...there is clearly little reason to maintain that Japanese methods can be applied only with the support of the Japanese social milieu."(28) Yet if "the proximate sources" for culture and moral temper come from the world of work, is there not inevitably a contribution from the foreign employer towards changing the host culture? Is it sufficient to suggest that "luckily" for Japanese and also for North American enterprises moving to Britain, the requirements of their work ethic happen to be fulfilled by the residue of Puritan influence in contemporary British culture? "There appears to be a fortunate correspondence between the requirements of Japanese production systems and some of the traditional values of the British working class,"(29) allege White and Trevor.

Maurice et al have demonstrated that national socialisation affects a whole range of important factors operating in the work domain, comparative rates of pay between blue collar and white collar workers, worker mobility, skills and professional training, job status etc. While their work was confined to the comparative study of French and German industry, their conclusions are of universal significance and raise a number of questions, including the second of this thesis. If cultural conditioning is an inescapable construct of human existence, how much if any of the culture of the employers and owners is absorbed by the foreign labour force? This is a question which clearly has great inherent difficulty. How does one not only describe but attempt to measure any culture, whether of employers, owners, or anyone else for that matter? When can changed attitudes and practices be attributed to cross-cultural influences as distinct, say, from changes occurring in the one culture? How much of any culture is indigenous and how much the result of influences exterior to it? Are not all cultures the product

over time of an abundance of diverse influences, inevitably with their origins in other cultures? So the questions escalate. This thesis tries to confine itself to the question of cultural absorption in the workplace, i.e., the absorption of values and attitudes coming from a foreign culture that will influence action and commitment in the workplace, where values are defined as "sets of interrelated ideas, concepts and principles to which individuals, groups, and societies attach strong sentiments," and which "generate expected rules of behaviour when they are applied to a specific culture." (30) In the first half of the 80s there appeared to be an optimistic conviction that workforces would easily assimilate the main cultural convictions of the foreign owners and managers at the place of work. Peter Wickens, writing about the single union agreement with Nissan in Washington, Tyne and Wear, says "It is in relation to working practices, however, that British industry has most to learn from the Japanese, and a detailed study of such practices has had a significant influence on the development of the Nissan AUEW agreement." (31) Wickens recognises the myths surrounding Japanese management and the difficulty of transposing ideas such as quality circles, wrenched from their cultural background. Nevertheless, he indicates that he too minimises the effect of socialisation, and argues for the adoption of the Japanese "tripod", teamwork, quality consciousness and flexibility, as though these concepts were less free of cultural constraint than, say, quality circles. "I have had to leave out many important elements, not only in the discussion of Japanese success but also in relation to the Nissan UK employment package, much of which is designed to create the conditions in which the 'tripod' can successfully transfer to the UK. When examining Japanese working practices the important point is to understand the background, the centuries of culture and not to fall into either of two possible traps. The first trap is to believe that we can successfully transfer all or part of the Japanese 'cultural background' to the UK and all will be well. The second is to believe that we cannot transfer the culture and therefore have little to learn. What we have to do is to identify those elements of Japanese working practices which are transferable." (32)

Now in 1988 there are signs that the effects of socialisation, both indigenous and foreign, have been seriously underestimated even in

foreign owned companies that have been established in Britain for decades. (33) The Ford dispute in February 1988 was of interest for a whole variety of reasons, not least of which was the way in which employees were willing to oppose not only management, but full-time union officials. If there had been any cultural absorption over the decades of the company's existence in England, it appeared to have been too fragile to cope with changes in work practices and new concepts of teamwork which the company were seeking to introduce. Or could it be that workers had absorbed some American cultural mores, ie., independence of spirit and a "business" attitude to the union, which may have been latent in employers who were trying to instil an altogether different set of values?

The penultimate question follows logically from the first two. What are the main features of an industrialised culture that are likely to influence employment practices within that culture? Maurice et al have given an unequivocal answer to that type of question. As far as they are concerned education at school and subsequent training are the fundamental features, which, later in the employee's existence, are supplemented by enterprise organisation and the conduct of industrial relations within the firm.

"In each country there is a tendency for a close relationship to develop between the organisation of general education and occupational training and the behaviour of the firms. The results convince us that it is impossible to analyse either the educational system (in terms of number and type of degrees offered, nature of competition, tracking and selection, and so forth) or the job hierarchy in terms of the relation between training and qualification, variation between branches of industry, or direction of job mobility, for example, in isolation. In both countries we find particular kinds of interaction between education and stratification, certain specific national patterns." (34)

Maurice et al's position stands in some contrast to that of John Dunlop, who suggested that the basic influencing features were a number of systems, the legal system, the political system, the social system and the economic system. (35) Are not these systems themselves culturally conditioned? Is not the educational system culturally conditioned? Are there cultural concepts that shape and determine them that are also

present in people at work? The thesis tries to address this type of question.

Finally can cultural effects influencing industrial relations be measured, quantified, and made amenable to value comparison? Miller and Simonetti(36) tried to answer this question by using a model with three sets of variables to assess the impact of cultural and environmental factors on industrial relations in one culture. Essentially it was used to measure management effectiveness in that one culture and, given a reasonable sample size, ought to be capable of use in a cross-cultural situation. They concluded that management effectiveness was very different in Britain and Japan, even although they believed that socio-cultural influences and management practices were almost identical in the two countries. Sasaki(37), who cites their work with approval, suggests the result is due to two different types of relationship at work in Japanese factories and British factories. Given that an enterprise consists of a set of people and a set of roles, in Japanese factories it is suggested the people dominate the roles, whereas in Britain the roles dominate the people. The former is more likely to contribute to a *gemeinschaft* type organisation and the latter to a *gesellschaft* type organisation. Of more interest to the current programme is Sasaki's conclusion that the two different types of relationship require two different value systems.(38)

Broad quantifications of cross-cultural effects in industrial relations have been attempted by writers like R.C.Clarke(39) and R.T.Dore(40). Work also continues in Japan by S.D.B.Picken(41) who, in a number of unpublished papers, draws comparisons between Japanese and British industrial practice arising from different cultural inputs. In the current thesis the attempt at measurement is confined to verbal discussion of the variety of outcomes in each of six factories, two Japanese owned, two American owned, and two British owned, all located in Britain. Quantification and value comparison are the subject of reflection based on observation and analysis of verbal responses from employees.

The objectives which derive from the basic questions of the programme.

The questions of the programme suggest a number of objectives. The first of these is to examine the cultural features which influence Japanese, North American and British employment practices, and to identify the chief features. The importance of the objective lies both on its stress upon the importance of culture in relationships at work and the danger of ignoring cultural transference when assessing industrial relations praxis. P.J. Turnbull underlines this point with an example from Lucas Electrical. "Flexible production systems may erode trade demarcations and dilute skills, but such forces have always operated under capitalist production systems, and there are still separate negotiating procedures and arrangements for different groups of workers (even though the skill demarcations are no longer as clear cut). This highlights the problems of 'grafting on' Japanese production methods without some of the wider social or institutional parameters found in Japan." (42) In a sense there can be no crisis for culture. It will inexorably continue albeit in a changed form regardless of circumstances. Even if capitalism contains within itself a basic contradiction between the frugality and hard work of a remnant Puritan ethic and the new emphasis on the need to consume, the culture of capitalism will continue until such time as it is replaced or overtaken by a new and different culture. Meanwhile, continuing great interest surrounds Japanese employment practices, both in Japan and in invested countries such as Britain. It would be the subject of a whole new research programme as to why post war American companies locating in Britain failed to arouse the same level of interest and concern amongst indigenous British industry. A common temptation is to make a quick assessment of Japanese industrial practice and attempt to select features which look as though they are easily transferable. Their subsequent failure to match expectations can leave the innovator further confused as to the shape of best industrial practice. The study of cultural input, or transference, may have the effect of making praxis transfer a more reliable option and at the least, provide a possible explanation for failure.

A more specific related objective is to compare the effects of Japanese and American enterprises located in Britain on attitudes at work held by the British employee. This is always a crucial area for employers. The search for an effective way of changing attitudes at work is the subject of an industry in itself. P.J. Turnbull writes, "This suggests that it may be in the social organisation of production that Japanese methods may have a more significant impact, and it is notable that a recent IR-RR survey of 'flexibility' agreements should conclude that 'at the centre of the many agreements negotiated lies the goal of changing attitudes towards work and working practices.... The agreements which have been signed are designed both to encourage and reflect in a general fashion the necessary changes in attitudes.' Changing our 'manufacturing philosophy' and the social organisation of production thus appears to be as important (if not more important) a component of management's strategy and the new 'factory regime' as are changes in work practices, the introduction of new technology, capital mobility, and the collective vulnerability of labour." (43)

White and Trevor, researching a specific attitude, namely job satisfaction, revealed a somewhat paradoxical situation. Job satisfaction in Japanese and British factories appeared much the same. The International Centre for Economic and Related Disciplines at the London School of Economics and Political Science, seemed to corroborate their findings. (44) The present study seeks to explore this contention and to assess a number of other employee attitudes, levels of conflict/cooperation, levels of participation, motivation and loyalty, perceptions of management and trade unions, many of which historically do not appear to have been the subject of comparable research interest. Initially it was thought possible that a research concept could be constructed that would allow cultural effects in American and Japanese owned factories to be value assessed and would allow measurement of the extent to which cultural inputs achieve a perceived optimum. Any value assessment has to adopt a perspective to address the question, whose values? Likewise, optimal outcomes presuppose a person or enterprise or system for whom the outcome is an optimum. The Japanese seem to have been more successful than either the British or the Americans in achieving some enterprise consensus as to values and optima. It is expressed succinctly by the Japanese industrialist Kanosuki Matsushita

in a response to visiting European and American managers to Japan in 1979 when he said, "Your 'socially minded bosses', often full of good intentions believe their duty is to protect the people in their firms. We, on the other hand, are realists and consider it our duty to get our people to defend their firms which will pay them back a hundredfold for their dedication. By doing this, we end up by being more 'social' than you." (45)

Despite abandoning the project in the course of this research, it is still felt that given sufficient numbers of participating companies, both Japanese and British, it will be possible to construct a research concept that will allow the assessment and measurement of cultural inputs to industrial relations.

Finally, a further objective of the programme is to identify and examine "dormant" categories in British culture that might be activated to achieve a perceived optimal outcome at the place of work. This is a problematic undertaking for at least two reasons. Firstly, it presupposes the existence of such categories. A number of scholars, including Pinder and Thurley suggest the reality of the concept. "The argument presented in the book is not that the Japanese work ethic has been transplanted, but that a traditional British work ethic has been rekindled." (46) For the purposes of this programme the phrase "dormant cultural category" is used to describe an attitude or practice that was traditionally recognised as a mark of that culture but which is widely alleged is no longer extant. The British work ethic, derived from the impact of Calvinism on British society, is said by Thurley and Pinder to fall into this category. Are there more of these concepts and can they likewise be rekindled? The suggestion of "rekindling" raises a second question of the manipulation of cultural mores. Is there not an inherent contradiction here? If culture could be manipulated and concepts rekindled, that mechanism would itself be part of a culture, a culture of change. There can be no such objective mechanism. The previous definitions of culture (page 12f.) leave no space for a mechanism outside a culture. Indeed they leave no space for the concept of an area of human existence unaffected or not included by a culture. There is nothing outwith either ideas, practice, or feelings, and certainly not some objective manipulating mechanism waiting to be employed. How can cultural concepts be influenced and changed as distinct from a foreign

culture influencing and changing people in a different culture? If an apparent reappearance, or rekindling of a cultural feature arises, it does so as a result of the conflation of cultures in the workplace such that people adopt a different attitude, or embrace a new set of values. In every case they will do so in order to maximise perceived self interest. It could be argued that in so far as a national culture, say, values the conversion of the rest of the world to its value system - a not uncommon feature in the history of nations, and alleged to be present in Japanese social thinking - there will inevitably be a manipulative or proselytising component in that culture. In the workplace, such proselytising is endemic, from the flow of books on how to manage, to the constant pressure from the foreman or supervisor to optimise work performance and quality. Furthermore, it is unlikely that changes in attitude could be achieved by a single act - more likely to be the result of a process over time. This presupposes an agency such as religion, a political party or a foreign cultural influence that is likely to remain operational over a timespan sufficiently long to induce change. Secondly, a change to be effective would need the broad consent of the majority of people likely to be affected. Prima facie this would seem an insuperable obstacle in a modern pluralist society but a possibility in a factory.

What is in mind for this research programme is something much more immediate, and in some ways more specific. The programme is directed to the changing of attitudes at work in favour of the capitalist mode of production. In this regard it seeks to examine the changing of attitudes at work without raising the more profound question of the justice of the economic system itself. In other words, in pursuing this particular objective, it is not primarily concerned with the possibility of changing the economic system in favour of increased justice. It is essentially the rediscovery of categories inherent in Western cultural tradition that would enhance the ability of British and North American enterprises to compete with the Japanese in a market place where competition is ever becoming more intense. Such an enterprise might, of course, raise uncomfortable questions about the structure and justice of the economic system. That would simply represent a risk inherent in the programme. Furthermore, it would almost inevitably involve wider issues

of education, training, government interference in the labour market and individual freedoms and civil liberties.

The methodology adopted and the scope of the study.

a) The case study method.

The original project hope was to gain access to as many as possible of the thirty eight Japanese owned companies operating in Britain in 1985, to use a survey technique which would reveal trends or patterns of behaviour and change as a result of Japanese management and ownership.

In the event this was not possible for only two Japanese owned firms gave access for research. The research method had therefore of necessity to be changed from the quantitative to the qualitative, from an emphasis on survey to an emphasis on particular situations. The case study method was therefore adopted. In the event, as with most if not all case studies, it included an element of survey, for within each of the six factories there were also aggregates and "what are aggregates on one level of analysis can become case studies on another level." (47)

The change from a quantitative to a qualitative approach was simply accepted as a result of facing the reality of the situation while maintaining the conviction of the importance of the research. The case study method is in no way a second best (48) approach but able to be justified with as much rigour as the survey technique. Before the current fashion for statistics and the emergence of powerful computers, it was the main method in sociology, made particularly prestigious by the Chicago School of Sociology in the 1920s.

Its limitations, however, must be appreciated and an answer given to the basic question of the justification of generalisations from a single case. The fundamental point is that extrapolation and general theorising are based on "the validity of the analysis" of the observations, interviews, documents, etc., "rather than on the representativeness of the events." (49)

The success of the method therefore almost entirely depends on the quality of the analysis and the rigour of the logic in moving from the

data to general conclusions. There is a sense in which the representativeness of the case itself is irrelevant. "The case study will be related in a wider population not because the case is representative, but because our analysis will be unassailable." (50) Trying to make the case representative indicates some confusion between qualitative methodology and quantitative methodology. The case study may be chosen for its explanatory power or even for its atypicality, in order "to make theoretical connections apparent which were formerly obscure." (51)

In the case of this programme the "case" is properly speaking, six factories whose selection was largely determined by the "givenness" of the initial two Japanese factories. Once they had been identified the other four were chosen to match them, in order to facilitate comparison between the six. Such comparative analysis, it is hoped, will strengthen the subsequent theorising by giving several points of reference.

In the present work, Mitchell's definition of a case study is accepted, viz., "A case study is a detailed examination of an event or series of events, that the analyst believes exhibit the operation of some general theoretical principle." (52) Thus the present work is not so much six case studies as an example of the case study method being applied to research at six factories. Strictly speaking, according to Gluckman's schema (53), the "social situation" type of material rather than the "apt illustration" or the "extended case study", has been used. The "apt illustration" is a fairly simple event from which a general principle can easily be drawn. The "social situation" is essentially synchronic, a snap shot in time, while "the extended case study" is diachronic. Although return visits were made to two of the factories, GEC Kirkcaldy and Brother Industries these were essentially to clarify and amplify the research results and certainly not an attempt to cope with the additional demands of extended diachronic study.

Thus, as with any method, there are limiting factors which must be recognised from the outset. Chief of these is that the value of the case study is to some extent dependent on the quality of the existing body of analytical theory. "The extent to which generalisation may be made from case studies depends upon the adequacy of the underlying theory, and the whole corpus of related knowledge of which the case is analysed rather than on the particular instance itself." (54) For the current project,

the underlying theory, although growing, still remains sparse. There has been a growing number of short papers on Japanese manufacturing practice in Britain in the 1980s(55) but still only one full length study to date.(56) There also appears to be relatively little published research on cross-cultural comparison of U.S. and Japanese manufacturing practice in Britain. Much of the theoretical basis for the present project stems from analysis of Japanese practice in Japan(57) and North American practice in the United States.(58)

It will already be clear from the foregoing that a further limiting factor of the case study method is that predictions will be theoretically based rather than extrapolated from an empirical base, conceptual rather than substantive. In practice they will fall between minor everyday working theories and grand theorising. In the survey technique, with a large enough sample, it could be argued that the conditions giving rise to the phenomena under study, the causal prime mover, is within the sample, whereas in the case study method, with the study focused on one or at most few particular situations, the causal prime mover is always external. In the former situation, empirical conclusions are possible, but not in the latter especially where the case makes no claim to be typical. Even where the conclusions are theoretical, the generalisations must be qualified by a "ceteris paribus", in view of the necessary contextualising of the case study.

Finally, it could be argued that in the absence of constraining empirical evidence, there is a greater danger in the case study method of the researcher influencing the analysis and thus eroding the rigour of the logic in moving from the particular to the general. Goode and Hatt put the problem this way, "Most of the difficulties in the use of this method (case study technique) can be reduced to one, although a more complex classification is possible. Interestingly enough, the basic danger in its use is the *response of the researcher*. The researcher comes to feel a false sense of certainty about his own conclusions."(59) In fact the present project does have a significant survey element and to some extent that tempers the final analysis, for in the end of the day there is no essential contradiction between analytical induction and enumerative induction. Indeed the case study conclusion must be capable of withstanding experimental verification if and when such is available. "In reality no case study can be presented in isolation from the corpus

of empirical information and theoretical postulates against which it has significance." (60)

One way of minimising researcher interference is to "triangulate perspectives", (61) that is, to allow the perspectives of others to corroborate the analysis through the accumulated findings of subsequent case studies.

While these are some of the limits of the technique, the case study approach has some positive advantages in its own right. Principal amongst these is the fact that the relationship between researcher and case becomes sufficiently close to allow an intimate knowledge of the case content to arise from which to see general principles at work, possibly more clearly than from the objective standpoint of data analysis. Concurrently, the case content remains intact and does not merely become a trait or trend, as might happen with the survey method. In other words, the theorising is from a unitary base that respects the richness and wholeness of the research material and not from a base that reduces and fragments the human situation under analysis into a number of impersonal traits.

Further, the researcher is him or herself enriched by proximity to the case content which is in itself an aid to and a widening influence on the researcher's sociological reflection and analysis. "Precisely because of the narrowness of most survey work, the researcher actually derives most of his wider range of experience in such investigations at the stage of *analysis*, when the meaning of the questions is probed more deeply. This latter stage is most fruitful, however, if there has been a *prior* period of absorbing the varied experience of others. The case study is particularly useful because of its attempt to find the meaning of the recorded data within the life of the individual, and only later in terms of *classes* of individuals. Often, too, these experiences yield new insights because of their very differences from the ordinary experiences of the researcher;...." (62)

b) The scope of the study.

The basic research for the programme has come from the study of factory life in six plants in Britain, two British owned, two American owned and two Japanese owned. The information on which the study is based has come from interviews at the place of work, information supplied by the management of the enterprises, and extended informal conversation with employees. The overall aim of the research was to study the effect of foreign ownership and management on worker attitudes in Britain. The choice of firms was governed by a number of parameters - the declared interest in foreign owners and management and the need to choose factories of similar size and similar type of manufacturing, with similar levels of technology and labour forces of similar socio-cultural background.

For reasons already stated, two Japanese and two American owned companies were selected. While, inevitably, the two Japanese plants would give only a short term view, the two American plants were chosen to give a longer term view of the impact of foreign ownership and management. The two British factories were chosen to act as a comparator. Also, an attempt was made to choose plants of a similar size, employing similar types of labour for similar types of work. In this regard Hewlett Packard was the least satisfactory choice because the South Queensferry plant included a substantial research and development facility resulting in a labour force with a much higher proportion of graduates than at any of the other five factories. However, it was felt desirable to use Hewlett Packard as one of the six since it largely met the conditions of the other criteria and had a widely acknowledged management approach to manufacture that was of particular interest to the Japanese.

Light engineering seemed to offer the best area in these respects. It seemed to be the primary area of interest for Japanese investment and there was a fairly wide choice of British and American owned factories with which to compare. The two Japanese companies (Maxell and Brother) were initially identified through an approach to the Japan Trade Centre (JETRO) in Baker Street, London. The Centre sent a list of the thirty eight Japanese owned manufacturing companies trading in the United Kingdom (August 1985). The three oldest companies were established in

1972. One very large company was a fairly recent Japanese buyout of a long established British company. Three firms had just begun production that year (1985), two had no Japanese personnel on site, had never had any, and were, to all intents and purposes, British companies. In one long established firm a large Japanese company had bought a substantial and majority holding. One had yet to begin production (Nissan), ten had less than sixty employees (one employed sixteen, another fifteen, two fourteen and one as few as three people). This left twenty companies from which to choose. All were approached individually by letter. Two factories of almost identical size agreed to give access for the purposes of the research programme. Fortunately they were factories making similar types of product, in one case electric typewriters and in the other, video tapes and floppy discs. Both used similar equipment and could fairly be described as in the light engineering field. Both were essentially assembly plants, buying in many of the finished parts for assembly to complete the final product. In both cases, this included the purchase and import of some parts from Japan. Both factories had been in operation in Britain for the same length of time and used a highly automated and robotised production technology, using a variety of equipment largely designed and manufactured in Japan and West Germany. Both were located in new buildings on greenfield sites and had similar types of labour forces, particularly in terms of socio-cultural background, which will be more fully described in Chapter 2. One labour force was drawn largely from a new town (Livingston) and the other from a long established ex-mining town (Wrexham).

The parameters of factory size, type of production and social type of labour force were effectually set by the management of the two Japanese companies who agreed to participate in the research. With these determinants in mind, two matching American owned companies and two matching British owned companies in Britain were approached. It was felt important in any comparative case study of the effects of foreign cultural influence on the British labour force at work, to keep in parallel an equally up to date view of British socialisation and its response in the workplace. Four companies (Hewlett Packard, Burroughs, GEC., and Lothian Electric Machines) agreed to participate giving a portfolio of six plants in light engineering, approximately the same age and size, and employing labour forces with similar social

characteristics. In each case, personnel departments agreed to choose a maximum of twenty people from all departments, including managers, supervisors and non-supervisory workers for interview. As far as is known, this is the first time that large Japanese companies have agreed to allow employees to be interviewed during working hours and in the factory.

In the most recent study by White and Trevor(63), access was gained to only one large Japanese company and two very small ones. In the one large Japanese company, denoted in the study as JEL, it was possible to interview on site only managers, supervisors and a few Japanese expatriot technicians. Other workers were surveyed using a postal questionnaire. Similarly at the two small Japanese companies, in one case no interviews were allowed on site at all. "The company's management decided that it could not afford the loss of production time which would result from the workplace interviews." (64) White and Trevor appear to have tried to compensate for the paucity of on-site interviews by interviewing people in the community. Although they maintain that this was the "lynch pin" of the study, it is clear such a technique also has its dangers. People selected for interview on site by the one department (personnel) in each case, do thereby have an intrinsic factor of comparability. It is assumed that most, if not all, personnel managers will behave in a similar manner, eg., in choosing their "best" workers for interview, thus giving a bias towards a measure of control over interview samples. Interviewing people in the community, on the other hand, is likely to introduce an unacceptably high level of randomness, with little knowledge beforehand of the relationship of the interviewee to the company concerned.

Furthermore, at work the environment imposes a number of constraints on people in terms of minimising the risk of repeating mythologies, interesting but largely extraneous legends concerning company ethos and practice. People interviewed in the community are less likely to feel thus constrained and more likely to introduce popular local myths regarding companies that might otherwise be the case on site. For example, in both towns in which the two Japanese companies of the study were located, both factories had a largely unjustified reputation for secrecy. In fact they appeared to be no more secretive about their operation than any of the other four companies. It seemed to be more

likely that a thinly disguised racial prejudice was expressing itself, perhaps fuelled by a social background in which many British companies had gone out of business in recent years.

The current research programme is therefore based on interviews on site conducted during the period 1985-86. At each plant the interviewer was given an extensive conducted tour of the factory and a room was made available in each for the conduct of the interviews. Only at Maxell did the management ask to see the interview schedules and express reservations about taping interviews. Eventually the Japanese managing director gave permission for the tape recorder to be used provided every employee was given the option of refusing to be taped. In fact this practice was adopted throughout the study and only two people out of one hundred and twenty interviewed refused to be taped. The interview framework was provided by two types of comprehensive questionnaire, one for the personnel manager, and one for all other employees. There were additional questions for employees who were also shop stewards.

It was recognised early in the programme that the shape of the questions, their content and the number of options allowed on occasion to the interviewees were crucial to the success of the study. Consequently, questionnaires were tested on a sample of twenty employees at Longannet Power Station, where the interviewer already had access to the labour force. Some adjustments were made in the light of that experience. The questionnaire for personnel managers was designed to expose as comprehensive a picture as possible of the work environment provided by the company. Questions were put relating to company practice, vis à vis welfare provision, participation and consultation, sick pay schemes, earning curves, loss of hours to disputes, quit rates, absenteeism, industrial clothing, commonality of facilities, age of retirement, wage differentials, management shop floor experience, education, training and social background, union cooperation, intra-firm communications, status gradations, and demarcation.

Questions to shop stewards explored, the number of unions on site, branch attendance and locality, union facilities, level of wage bargaining, union welfare and education provision, ratio of full-time officials to members and the number of members on site. Questions to all other employees were designed to solicit attitudes to work and perceptions of management, and explored, job satisfaction, length of

service, place in the company structure, quality of relationships with others on site, discipline, career opportunities, intra-company ranking, information flow, working conditions, religious background, qualifications and/or skills on entry, readiness for overtime, timekeeping, perceptions of management, management authority, treatment of conflict, job rotation and on-site training. Since the interviews were taped, there was ample opportunity to enrich impressions with information additional to that solicited directly by the questionnaire. This technique effectually gave two sources of research material, completed questionnaires and transcriptions of the interviewees. A third source of material was gained from less formal conversation with managers and Japanese ex-patriots. Additionally, company literature provided a source of company philosophy and value systems.

The result is six studies of the practice and ethos of six different factories and three pairs of very different factories in terms of the cultural background of the owners and ex-patriot managers. It has provided an opportunity to explore and to some extent to compare sensitively, the different cultural emphases in the place of work. After selecting a number of areas of typical interest in the field of industrial relations, and allowing employees to reveal their feelings and attitudes towards these issues, an attempt has been made to move to a different level of analysis, inductive theorising, to explore a number of key areas of interest in industrial relations practice, with a view to assessing the cultural contribution to their present shape and scope. It is hoped that in Chapters 5 to 8 this task has been done with some sensitivity and insight, to improve understanding of management techniques and employee responses at the place of work. Ultimately, the hope is that enhanced insights into human relationships at work will lead to more enriching work life for all who must spend their working days in factories.

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CHAPTER 2.

THE TWO BRITISH LABOUR FORCES AND THEIR RESPONSES TO

THEIR WORK ENVIRONMENT.

"The social and historical context in which organisations evolve is inevitably a primary determinant of how they take shape."

W. Ouchi.

Employee expectations.

Before examining in some detail the circumstances of the two British labour forces which form the comparator for the study, the more general question of what British employees can expect by way of management and working conditions in American and Japanese owned factories is raised. The answer is given in the form of a brief resume of the popularly accepted stereotypes of American and Japanese management and working conditions. The stereotypes are outlined for at least two reasons. They are an important vehicle for people in one society to understand social behaviour in another society. Secondly, they are theories or models of reality which provide guidance rather than an accurate picture. While the literature on American and Japanese industrial relations and management praxis is extensive, all that is being offered here is a brief stereotype to give some impression of the popularly accepted background against which the current study is set.

The Japanese manager in the large Japanese company with foreign plants is likely to have been recruited from school or university. (1) At school, in particular, he may have experienced extreme pressure to perform well. (2) University educated, he is likely to have joined the firm with a "general" type degree, in, say, arts or social sciences, rather than with a "specific" type degree in, say, a branch of engineering, mathematics, economics, etc. (3) His American counterpart is more likely to have begun his industrial career with a degree specific to the needs of at least his first employer. Unlike the Japanese manager, he will have frequently changed employer while developing his management career. He may well have enhanced his career prospects by taking a post-graduate degree in management or a management related subject, while his Japanese counterpart's further training will almost certainly have been provided by the employer. (4)

While twenty or thirty years ago the American manager may have begun work on the shop floor, serving his time in a recognised apprenticeship, in recent years he is more likely to have gone immediately into management type work after, perhaps, a condensed period of practical training. The Japanese manager is more likely to have spent three to seven years on the shop floor, rotating through a number of departments and skills. Indeed, he is likely to have remained in that position,

perhaps taking on foreman type jobs and junior supervisory positions along with all other colleagues who joined the company at the same time, until he was about forty years of age. (5) Only at that point was the group likely to have been streamed and a few chosen for senior management posts throughout the remainder of the employee's working life. His American counterpart, by that time, would possibly have seen himself as something of a failure if he had not, by his early forties, acquired a senior management position.

During the formative years with the company the nascent Japanese manager will have been exposed to a socialisation process that is likely to have "locked" him into the company culture. As a result, the company and its domain is likely to make by far the major demands on his life in terms of interest, commitment and time. T.P.Rohlen describes the process for bank employees thus, "There are a number of courses specifically designed to assist in the sponsorship of good human relations. Office recreation leaders, for example, learn how to conduct games, folk dances, and other group activities. There is a course for women who are office sempai, and a group of deputies undergoes a five day sensitivity training ("tea group") session each year. These efforts seem rather insignificant compared to the much larger and infinitely more involved introductory training new members receive. This programme, constituting in effect, an elaborate socialisation attempt, is far and away the most important educational effort in Uedagin. New men spend three months at the training institute before their first assignments, while entering women attend for only two weeks." (6) The recruit's entry into this culture may have been assisted by a period of "spiritual" training. Examples of this are documented by T.P.Rohlen, (7) in a Japanese bank, and by D.C.Lewis in a synthetic fibres factory. (8) In-house company training programmes are also likely to have associated business success with the overall good of Japan.

A further consequence of the socialisation process in Japanese companies is the strengthening of ties between employees to induce a sense of belonging to a family. The American manager may also have been exposed to family type perceptions of the company, but his privatised and individualised lifestyle is likely to have intervened to produce a manager with apparently less sense of commitment to the company, qua company, as his Japanese counterpart. Furthermore, the Japanese manager

may well regard "family" as a moveable concept, beginning with the natural family, moving on to embrace the "family" at school and/or university, and now enshrining the company for which he works. (9) While both he and his American counterpart may be encouraged to socialise "after hours", only the Japanese manager is likely to rate the importance of this socialisation higher than that of nuclear family life. Such is the alleged success of the socialisation process, Japanese employees are said to forego holidays and work unpaid overtime in order to maximise production.

The Japanese manager is likely to be accustomed to spending much of his working day on the shop floor. He may well also be used to catching up with the "paper work" in hours after the dayshift has finished or when the next shift is at work. By contrast, his American counterpart will like to be seen on the shop floor fairly often, but not necessarily at the expense of working regularly long hours of unpaid overtime. Here the differing levels of enterprise conditioning are likely to have produced differing work patterns. The Japanese manager will probably expect to remain with the company throughout his working life, retire at fifty five and pursue either leisure time interests, embark on a new self employed career, or take a post in a smaller company. Both American and Japanese managers may be expected to be dismissive of the traditional divide between men and management in British industry. While the Japanese management may expect to work with a trade union, on the whole the American manager may feel the presence of a union or unions an indication of failure on the part of the firm.

The stereotype of American and Japanese industrial relations.

Given the traditional fourfold analysis of Japanese industrial relations, lifetime employment, seniority wage system, corporate welfarism and company unions (10), the British labour force may well expect some vestige of these to be established in the Japanese owned factory. Something of the concept of the company union may well be continued by the signing of an agreement for recognition and bargaining with one union, as, for example, at the Nissan plant in Washington, Tyne and Wear. (11) Corporate welfarism in Japan may be an expression of overt

paternalism which may well manifest itself in the workplace by a high priority on discipline, eg., timekeeping, cleanliness, steady work rate etc., and by a high ratio of supervisors to manual workers. Given the differences in social provision between Britain and Japan, the incoming Japanese factory is unlikely to emulate the comprehensive welfare provision of some of the large Japanese companies in Japan, whereby housing, education and health provision may be on offer to employees. It may be more reasonable to expect that, like many American companies, a high premium is placed on fitness and the value of physical recreation through sport specific clubs, in inducing a sense of belonging to the company. The incoming Japanese company may also be expected to introduce physical exercises (taiso) at the beginning of each shift. (12)

While, in Japan, the wage system based on length of service with the firm may be declining in favour of a more merit based system(13), like lifetime employment, the seniority system would appear to have deep roots in Japanese culture, and therefore not easily be abandoned in principle. The seniority system clearly rewards long service with the company and thereby encourages continuity of employment with the one firm. Likewise lifetime employment, which has always only been extended to the core labour force, has an obvious appeal in terms of maximising loyalty to the enterprise and minimising labour turnover and its attendant costs. Both contribute to a recognised feature of Japanese companies whereby growth is often dependent on management expertise accumulating over time in the company, although it may well be true to say with Dickens and Savage that "The concept of the core labour force is two hundred years old." (14) The American firm is more likely to be led directly from the top beginning with a strategic plan, to which all other considerations, even the buying and selling of whole companies and projects, are likely to be subservient. (15) The plan often focuses on a particular product range (eg., as at Ford, Caterpillar, Kodak etc.) and may issue in a tactical and/or action programme. By contrast, the Japanese company can be expected to focus on production per se, especially quality, cost reduction, product improvement and sales. (16) The Japanese company is likely to take a longer term view of both markets and returns on investment than the American company. (17) The practice of quarterly reporting to share holders, for example, is not engaged in by the Japanese.

In line with the alleged groupiness of Japanese society, companies usually exist together in hierarchically stratified conglomerates, trading almost exclusively within the conglomerate. While the conglomerate remains essentially within Japan, it may be expected that Japanese companies will cultivate "relations" with suppliers in the overseas environment to compensate for the loss of the effect of the conglomerate. Crowther and Garraher(18) argue this is the reason why Nissan have purchased a further 436 acres of land (three times greater than that needed for the core factory) from the Borough of Sunderland. They suggest that component suppliers will be attracted to this area to facilitate the Kanban (Just in time) system of production. American companies are likely to take a much more "business" view of the supply market and trade with those who can supply solely on the basis of ability to meet specifications.

As for the work environment, the Japanese company may be expected to anticipate high trust relations in the factory and therefore not introduce time clocks for employees, and to propagate an egalitarian ethos by uniformity of work wear and hours of work, and commonality of facilities such as parking, open plan working, canteen and recreational facilities, sick pay and pension provision. The American company may also share many of these practices. Indeed, the apparent minimising of class consciousness in American society and its work domain, compared with Europe, may well have been consciously copied by Japanese industry in the post-war period(19).

Organisational structure, however, is likely to vary between American and Japanese companies. If Japanese companies replicate themselves in the overseas location, they can be expected to be highly and finely stratified, with the use of many rankings and job titles(20). The American companies are likely to have relatively few grades and to have a somewhat flattened hierarchical structure, accompanied by an apparent degree of informality in the workplace. The use of first names in this regard is a well known characteristic. Unlike the Japanese enterprise, the work discipline is likely to be based on rules and penalties, whereas the Japanese seem to prefer the use of rules and exhortations. In Japan it is claimed that large companies take extreme measures to avoid redundancy and seldom sack employees. The "poor" employee is regarded as a mistake of the system, requiring all other

workmates to take responsibility for supporting the person who, for one reason or another, is not thought to be making the expected contribution to the corporate effort.

Ringi decision making is said to be a common feature of Japanese production methods. (21) Decisions are taken after apparent widespread consultation at fairly low levels in the enterprise and accompanied by written suggestions, amendments and agreement. In practice, it is alleged decisions emanate in embryo at middle to senior management level. The proposal is then moved down the organisation and up again to the top for final approval. This method is said to minimise the shock of change upon the labour force and to give an appearance of participation in decision making by people even in fairly lowly positions in the hierarchy of the company.

These are some of the main features of industrial relations and management practice that can be expected from incoming Japanese and American employers, if one is to believe Japan's official literature about itself, as published, for example, by the Japan External Trade Organisation (JETRO), and the image of Japanese industry sustained by the holistic school of Japanese studies (Nakane 1970, Doi, 1973, Vogel, 1979 and Reischauer, 1979 et al)

The British labour force.

The chief interest of the current programme is the effect of the encounter between the incoming company and its managers, and the culture of the indigenous British labour force. After the foregoing brief picture of what British employees may expect of incoming Japanese and American companies, the question is what can the incomers, Japanese and American, expect to find in Britain? From what type of industrial milieu can the incoming employer expect his new labour force to come? What will be some of the attitudes, prejudices and needs instilled by The British socialisation process in the new labour force? What will the British employees expect in terms of industrial relations and working conditions? To answer this type of question, two fairly typical examples of British factories in light engineering are examined - GEC at Kirkcaldy and Lothian Electric Machines at Haddington.

Firstly, the work environment at GEC and Lemac is described, preceded by a brief history of what is known about each company. This is followed by a comparison of the facts of the working conditions as given by the personnel departments in response to a questionnaire (Tables 1 to 11). There follows a factual description of the employees interviewed in the two factories, tabulated for easy reference (Tables 12 to 14). Employee attitudes, prejudices and needs arising from their social conditioning are tabulated in response to an interview schedule to which each person submitted at the request of the personnel department (Tables 15 to 21). The postscript reflects on the methodology of this chapter.

The work environments at GEC and Lemac.

a) GEC

The GEC factory at Kirkcaldy was formerly owned by Associated Electrical Industries Ltd. The two companies merged in 1967. In September 1968 a further merger, largely government induced and supported(22), took place between the new GEC and English Electric. The enlarged company, under the managing directorship of Arnold Weinstock, was thought better able to face international competition and today(1988) is Britain's largest electrical and electronic group with annual sales of over £5,500 million(23). In the 1960's all three companies, GEC, AEI and English Electric were facing declining profits. They were said to be engineering oriented, run by engineers, with an emphasis on quality and reliability. The new enlarged company was entering a more intensely consumerist era. There was an urgent need to improve marketing, to cheapen the design and quality of many products in order to compete with foreign manufacturers. The leadership of Arnold Weinstock, an outstanding salesman, was therefore anticipated with an air of expectation.

Weinstock, essentially an entrepreneur, was a very similar type of person to Hugo Hirst who effectually founded GEC after the company had purchased the Manchester Gas Ignition Company in 1889. Much of the early business was involved in worldwide cartels making and selling light

bulbs, and since all the products were basic to warfare, company profits rose dramatically during the 1914-18 war. The opportunity of coordinating trade associations and rings came in 1916 with the founding of the Federation of British Industry of which GEC became a member. In 1918, GEC moved into heavy engineering, manufacturing steam turbines, and engineers rose to influential positions in the company. As was later to happen to Weinstock, they maintained a steady resistance to Hirst because he was essentially a salesman. By 1930, 34% of the equity of the company was owned by General Electric of America, but as far as is known, they had no influence in the operation of the company.

Between 1942 and 1962, GEC declined under the chairmanship of Harry Railing who was said to be a good engineer but lacked the entrepreneurial flair to keep GEC at the forefront of the worldwide electrical industry. When Hirst's son-in-law, Leslie Gamage, took over in 1957, the decline continued due to a number of contributory factors additional to Harry Railing's deficiencies. Management was said to have become in-bred, dominated by engineers who despised the market. The Monopolies and Restrictive Practices Act of 1948 had broken their near monopoly on the light bulb market. In 1954 GEC entered the nuclear industry with very adverse results for profitability and by 1956 they were heavily over borrowed.

Management consultants were brought in in 1959 and two important consequences followed. The retail chain of "Magnet Houses" was closed with an improvement in profits, and Radio and Allied Industries was acquired together with a new management team under the leadership of Arnold Weinstock. There followed a period of rationalisation and mergers. The Kirkcaldy factory of GEC was opened in 1966 and employed in 1986, eight hundred people making telecommunications equipment. The telecommunications group with headquarters at Coventry was one of ten groups comprising one hundred and thirty companies, arranged in operational divisions. "Like the GEC group, we have our own policy of decentralisation. The company was divided into four product units, telephone switching group, transmission group, private systems division and telephone division." (24) All research, development and design work for the telecommunications division was located at Coventry, while the Kirkcaldy plant was essentially an assembly factory, manufacturing to specifications received from Coventry. Until 1985, the main customer,

and at most times the sole customer, was British Telecom (and prior to that, the Post Office). With the privatisation of British Telecom, the purchase of telecommunications equipment was opened to competitors worldwide. Formerly, GEC production operators were trained and tested to a British Post Office standard. This gave them virtually a monopoly position with respect to the Post Office telephone section. In 1986 GEC at Kirkcaldy was examining its competitive position. This had already led to the closure of a sister factory at Glenrothes, with a substantial number of redundancies. A number of the Glenrothes employees had been transferred to the Kirkcaldy plant, without appearing to cause any particular labour relations problems.

No graduates were employed at Kirkcaldy, most engineers and technicians being qualified to Higher National Certificate (HNC) level. During the previous two years labour had been reorganised into new work groups, which had reduced the number of levels of supervision, increased the scope of the work of supervisors and clarified and simplified the chain of command. The work groups were under the supervision of a controller and, between the controller and some forty or fifty workers, a link operator. The controller was, de facto, the supervisor, while the link operator had a production job to complete in addition to feeding and supervising the flow of work from the controller to the workers. Controllers were directly responsible to the works manager.

In addition to market changes there had also been, in the previous five years, substantial changes in product design. Originally, the factory was making electro-mechanical equipment for the Post Office. This was followed by a phase in which semi-electronic bus-bar equipment for the telephone industry was made. The equipment was then completely miniaturised by a combination of electronics and "chip" technology. Fewer people were needed to make this equipment, hence a further reason for the closure of the Glenrothes factory.

The Kirkcaldy plant was of a traditional design, light and airy, with plenty of windows to the exterior. The offices were partly open plan, but most senior staff had closed offices. In 1984 a step towards single status working was taken by establishing one canteen for all employees. To the disappointment of the General Manager, senior managers refused to use the new canteen, preferring to eat prepacked lunches in their own offices.

Many older managers seemed to be retiring at about the same time, a trend which had also been aggravated by the closure of the Glenrothes plant. The new intake of younger managers had a reputation amongst the labour force for a more abrasive style of management. There was a tradition amongst all employees, and particularly amongst managers, of long service with the company, which almost amounted to a lifetime employment outlook. There was, however great uncertainty about the market situation which, together with recent redundancies, was a cause of anxiety in the labour force and in May 1988 there were renewed fears that the factory would close. The lack of information about the company's future was a common cause of complaint although several managers said that if "good working practices are adopted", the factory could become "fully competitive" and find a reasonably permanent place in the telecommunications industry.

Production was divided into three basic areas. One section made electronic "shelves", another, flat electronic boards which were plugged in to the final assembly, and a final assembly section of digital switching equipment for telephone exchanges. There was also a packaging, dispatching and warehouse area. A number of parts were bought in, some of them locally manufactured, and these were sample inspected on site, as were also finished boards and the end product. Many assembly functions were done by machines and robots.

In 1986 there were fifty young people on a Youth Training Scheme in the factory, of whom, it was said, a number would be offered permanent jobs at the end of the training period. During the training period some trainees had the opportunity of earning full employee wages. The labour force was predominantly female with an average age of about thirty seven years, which was significantly higher than at either Maxell or Brother. (The average age of interviewees at the five other plants was, Brother 24 years, Maxell 28.6 years, Burroughs 34.7 years, Hewlett Packard 37.5 years, and Lemac 42.9 years.)

Until 1985 the company was a member of the Engineering Employers' Federation and continued to pay above Federation rates. Wage bargaining was conducted at factory level within a budget set by headquarters at Coventry, so that there was factory bargaining controlled at company level. Line workers also participated in a bonus incentive scheme. They began work at 8am. and finished at 4.30pm., while office staff and

management began at 9am. and finished at 5pm. There were several other differences of conditions between managers and managed. The former were paid monthly, the latter weekly. Sick pay and pension arrangements were different, as were also toilets, parking areas, and entry and exit to the factory.

Five unions were recognised in the factory for bargaining purposes and there was a joint shop stewards' committee, a works committee and joint consultative meetings. There were very few non union employees, and all the blue collar members of both the works committee and the consultative meetings were trade union representatives, although in theory they could simply have been workplace representatives.

Adjacent to the factory was a large car park with reserved spaces for senior staff. Security at the gate and at the main entrance was tight. The main door was permanently locked, and only once a bell had been sounded and people screened by the receptionist, was entry gained. The company was very sensitive about its community image. It was one of the largest employers in the town, was a generous contributor to a number of local schemes in the Kirkcaldy area, and there were frequent visits from local schools and community groups.

b) Lemac.

Lothian Electric Machines Ltd traded under the name Lemac. Their Haddington factory was built almost thirty years ago and was owned for the first fifteen years of its life by the American company, Ranco Motors. Ranco sold out to a management group assisted by the Scottish Development Agency, who were in turn bought over by Microlex of Cirencester. Lemac was now part of a group of four companies and employed some four hundred and fifty people at Haddington. It produced a range of fractional horse power electric motors and keyboard subassemblies for IBM computers.

The offices which were traditional in design, were located on a floor above the production area and included a small open plan section, but there were neither canteens nor rest areas. The factory was largely open plan, and compared to the other five, dirty and poorly lit. There appeared to be substantial quantities of parts and equipment squeezed

into a fairly tight area. There was no mention of a "just in time" policy and stocks of parts in the stores appeared to, be substantial. The largely mechanical assembly lines looked dated and there was an absence of computers and electronic equipment, both in the factory and in the offices. The plant was not air conditioned, although it was intended to install air conditioning in the area in which the computer keyboards were being made.

The general atmosphere was fairly relaxed. Hourly workers began work at 8am. and finished at 5.15pm. two days a week. On two days they finished at 4.45pm. and on Friday at 1pm., giving them a total of thirty nine hours per week. Office staff began work at 9am. There was an incentive bonus scheme for shop floor employees. Middle ranking managers were said by the labour force to be seen frequently on the shop floor, although there was no overt management or company philosophy. "When Ranco was here the place was run along American lines with a company philosophy. We have not continued that. We have a set of rules and guidelines but not in the sense of a company philosophy for all employees.", said the Industrial Engineering Manager.

The Personnel Department consisted of one person with some secretarial assistance and there was also a small Research and Development department which reported directly to the Managing Director who was also a member of the parent board in Cirencester. There was also a small design section in the factory, which modified existing electric motor design rather than developed new products.

There were five unions recognised for negotiating purposes, a joint shop stewards' committee, which met with senior staff every two months, no consultative meetings, but full factory level pay bargaining. Rates of pay were said to be about or slightly above the average for the area, and there was a pension scheme for staff employees only. Machinery and equipment was maintained by a team of millwrights, all time served fitters, turners and electricians. Managers were all time served engineers, but line operators were trained on the job by more experienced personnel. There were a number of apprentices belonging to several crafts, who had been recruited on the basis of school leaving qualifications and who were encouraged to participate in further education by a day release system. Unlike GEC, management turnover had been high for a number of years although some managers had been with

the company for more than ten years. Non supervisory grades tended to have worked for the company for the most part of their working lives. Many were bussed in daily from several surrounding towns and villages. Employees were prepared to work fairly high levels of overtime when the opportunity arose and occasionally, to meet a rise in demand for the product, the company operated an early evening shift in addition to the normal dayshift. There were no quality circles, no system of job evaluation, and no time had been lost due to disputes in the past two years. Some industrial clothing was provided for those who needed it, but there was no attempt at uniformity of dress. There were separate toilets and car parks for shop floor employees and staff, while intra-firm communications were largely verbal, supplemented by a notice board. There appeared to be no security on entry to the site and neither visitor tabs nor means of identification were issued on entry.

There was no company literature apart from a small handbook outlining conditions and rights, which was given to each person joining the payroll. Disciplinary and guidance procedures were not detailed in this book but were available on application from the personnel department. As at GEC's Kirkcaldy factory, there was an obvious feeling of community and the Managing Director appeared to know most people by their first names. Conversely, everyone seemed to be on first name terms except the Managing Director who was addressed by his surname by everyone on site except his most senior managers.

Tables 1 to 11 give a comparative picture of working conditions at the two plants. These tables include the questions put to the personnel department in each factory.

TABLE 1

	GEC	LEMAC
Is there a canteen?	Y	N
Is it: company run sub-contracted	Y	
Is it: subsidised non-subsidised	Y	
Are rest rooms provided?	Y	Only in IBM Section
What sports and social facilities are provided, if any?	Social Club	Clubs
Does the company mark birthdays, anniversaries etc?	N	N
Are bonuses paid?	N	Service payment annually for 15 years
If so, on what basis and how frequently?		
Is there a superannuation scheme?	Y	Staff only
Is it: contributory non-contributory	Y	Y
Is there a welfare fund or its equivalent?	N	N
Are shares provided?	Y	N
Is there a savings and/or loans scheme operating?	Y	Savings scheme
Is there a company: doctor nurse welfare officer chaplain	N Y N Y	N N N N
Is there an ambulance room?	Y	Y
Is the cost of travel to work met by the company?	N	N
Are there tea and/or coffee-making facilities?	Y	Y
What is the percentage spent on welfare provision, as a proportion of total labour costs?	Not known	Not known

* Y = YES N = NO

WELFARE PROVISION

TABLE 2

PARTICIPATION AND CONSULTATION	GEC	LEMAC
Is there a joint consultative meeting between management and representatives of the labour force?	Works Committee	No, but joint shop stewards meet every 2 months
How are the representatives selected: ballot personal invitation	Ballot	
How often does it meet: monthly every 2 months	Y	
Who chairs the meetings: alternates manager	Y	
What items may be discussed: all or any non-finance only	Y	
What items may not be discussed:	Wages & Profits	
Are there opportunities for informal meetings between, say: engineering/design staff supervisors shop-floor employees	N	N
What form can these take: structured informal		
Is there plant-level bargaining over wages and conditions?	Y	Y
Is there a works council?	X	N
Are there quality circles? How many How often do they meet How many participants Do they meet: in working hours out of working hours	N	N
Are you consulted about decisions that affect your work life?	Y	Y
Are you given information about: sales turnover production targets plant performance profitability	Y Y Y Y N	Y Y Y Y Y
Do you employ a system of: job evaluation self-evaluation	N N	N N

TABLE 3

SICK PAY SCHEME	GEC	LEMAC
How many days off are you allowed on full pay with a doctor's certificate:		None
none up to 15 more than 15	Y	
How many days off are allowed on 1/2 pay:	None	None
none up to 15 more than 15		
How many days off are allowed before the job position is reviewed:	Y	Y
less than 2 months more than 2 months		
How many days off are allowed before dismissal:	Y	Y
nothing fixed less than 6 months more than 6 months		
<u>EARNING CURVE</u>		
How does pay vary with service for shop floor workers:	Does not vary with service	Y
nothing fixed annual increments increase with age		
How does pay vary with service for managers:	Annual Increments	Annual Increments
increase with age no increase		

TABLE 4

MISCELLANEOUS	GEC	LEMAC
<p>How many hours were lost due to disputes in 1983-84:</p> <p>None</p> <p>40</p> <p>60</p> <p>80</p> <p>100</p>	<p>Y</p>	<p>Y</p>
<p>What sort of quit rate does the company have?</p> <p>e.g. average length of employment with company - for managers</p> <p>for shop floor workers</p>	<p>5%</p> <p>Most life-time</p> <p>8-10 yrs</p>	<p>18%</p> <p>15 yrs</p>
<p>What is the daily absentee rate as a percentage of the labour force?</p>	<p>3%</p>	<p>7%</p>
<p>What percentage of the labour force is, daily, five minutes late?</p> <p>What percentage of the labour force is, daily, more than five minutes late?</p>	<p>4%</p> <p>0.5%</p>	<p>3%</p> <p>1%</p>

TABLE 5

	GEC	LEMAC
<u>INDUSTRIAL CLOTHING</u>		
Is industrial clothing provided?	Y	Y
Is it: uniform for all different for different grades	N	N
Do all employees wear industrial clothing? If not, where is the line drawn?	N	N
<u>COMMONALITY OF FACILITIES</u>		
Are canteens used by everyone or are there separate dining rooms for different grades?	Common	None
Are toilets used by everyone (except on basis of sex) or are there separate toilets for different grades?	Y	Y
Are car parks open to all or are some spaces reserved for certain employees?	Some Reserved	Some Reserved
Is office accommodation open-plan?	N	N
Is shop floor environment the same for all? What variations are there and why?	N Air conditioned Section	Y
<u>RETIREMENT</u>		
At what age are employees compulsorily retired:		
Managers	Y	Y
Managers under 65		
Shop floor workers	Y	Y
Shop floor workers under 65		

TABLE 6

	GEC	LEMAC
<u>DIFFERENTIALS</u>		
How many times greater is the highest wage paid compared with the lowest: 1 - 2 2 - 3 3 - 10 more than 10	8	8
Are fringe benefits provided for managers?	Cars	N
Are fringe benefits provided for supervisors?	N	N
Are fringe benefits provided for shop floor employees?	N	N
<u>MANAGEMENT SHOP FLOOR EXPERIENCE</u>		
Do trainee managers spend time on the shop floor?	N	N
How much time?	Y	Y
Have most managers begun as genuine shop floor workers?		
<u>MANAGEMENT PRESENCE ON SHOP FLOOR</u>		
Do senior managers appear daily on the shop floor?	Y	N
Do middle managers appear daily on the shop floor?	Y	Y
<u>MANAGEMENT EDUCATION</u>		
Are managers recruited with a general or specific educational background:		
general	Y	Y
specific		
Is there in-company training for managers?	Y	N
How many managers have received an education that is:		
private		
public	Very few	Some
<u>MANAGEMENT SOCIAL BACKGROUND</u>		
Are managers promoted on the basis of:		
merit	Y	Y
length of service		
educational qualifications		
Do career opportunities exist for managers with the company?		

TABLE 7

	GEC	LEMAC
<p><u>UNION DENSITY</u> How many trade unions and staff associations are there in the factory: one three five over six</p>	6	5
<p>What proportion of the total labour force are members of a trade union or staff association: 100% 50-90% 20-50%</p>	90%	100%
<p><u>BRANCH ATTENDANCE</u> What proportion of the membership attend branch meetings: 1-5% 6-20% more than 20%</p>	1-5%	1-5%
<p><u>NUMBER OF CANDIDATES</u> How many candidates stand for offices in the trade union or staff association?</p>		
<p><u>UNION FACILITIES</u> Are union facilities (use of office, 'phone etc): excellent very good good non-existent</p>	Y	Y
<p>What unions are recognised for the purposes of negotiating and bargaining?</p>	5	4
<p>What are the parameters for time off work for union duties?</p>	As per legislation	Any time
<p>Are membership meetings allowed on site?</p>	Y	Y
<p>Are they held: during working hours with loss of wages during working hours with no loss of wages out of hours</p>	Y	Y
<p><u>LEVEL OF WAGE BARGAINING</u> Is wage bargaining conducted at: national level industry level company level factory level sub-factory level</p>	Y Y Y Y	Y Y Y Y

TABLE 8

	GEC	LEMAC
<u>TRADE UNION WELFARE AND EDUCATION FACILITIES</u>		
Is there trade union assistance in the event of an employee:		
being sued for damages	Y	Y
being threatened with dismissal	Y	Y
about to enter the disciplinary procedure	Y	Y
Does the trade union provide:		
additional sickness benefits	Y	Y
access to a convalescent home	Y	
subsidised holidays	Y	Y
Is there trade union or staff association training for:		
union office	Y	Y
none		
bargaining	Y	
an understanding of job evaluation, wage payment systems, job measurement techniques	Y	
Is this training handled by:		
home study courses		
correspondence courses		
regional courses	Y	Y
weekend training courses	Y	
residential training courses	Y	
any other method		
Do the trade unions/staff associations publish:		
newspapers	Y	Y
pamphlets	Y	Y
books		Y
number		
frequency		
<u>RATIO OF FULL-TIME OFFICIALS/MEMBERS</u>		
In the trade union and/or staff association what is the ratio of full-time officials to members?		
<u>METHOD OF ELECTION OF SHOP STEWARDS</u>		
How are shop stewards and office bearers elected:		
show of hands		
ballot	Y	Y
personal invitation		

TABLE 9

	GEC	LEMAC
<u>UNION CO-OPERATION</u>		
How many unions are represented on site?	Six	Five
How many unions are recognised for consultation/bargaining?	Five	Five
Has the union withdrawn from the consultation machinery in the last 5 years?	No	
How often?		
Is the union consulted over the following issues: redundancies production methods production targets manpower levels manpower deployment changes in plant layout acquisition of new plant profitability	Y	Y
On how many occasions in the past 5 years have the unions tried to resist changes introduced by management?	2	None
What were some of these issues?	Redundancies Introduction of new product	
On how many occasions in the past 5 years has the union made proposals for change?		
Is there a role for the union in management decision making?	Consultative	No
In what areas?		
What is the union policy regarding: absenteeism poor timekeeping discipline poor work performance hiring and firing quality circles suggestion schemes bonuses profit sharing		
How many occasions of industrial unrest have there been in the last 2 years?	Y	None
Is/are the trade union(s): very co-operative co-operative obstructive very obstructive	Y	Y

TABLE 10

	GEC	LEMAC
<u>INDIVIDUAL EFFORT AND INDIVIDUAL WAGE</u>		
Are wage levels secret?	N	N
Is there a bonus system?	Y	Y
Is there a piece-work system?	N	Y
Is there a PBR system?	N	Y
Are there other ways in which individual effort is rewarded?	Suggestion Scheme	N
<u>DEMARICATION</u>		
Is there any job demarcation:		
no		
some	Some	Some
yes		

Some initial comments on working conditions at GEC and Lemac.

Tables 1 to 11 give a summary of working conditions at GEC and Lemac. Each factory had, of course, a background peculiar to itself. Lemac had had a somewhat chequered career. Born out of the demise of a post war American company, Ranco Motors, it was now living in the tension between coping with shrinking traditional markets for fractional horse power electric motors and trying to adapt to the demands of new types of work, such as keyboards for IBM computers. It had a long established labour force, drawn locally from a former coal mining area. Within the plant the emphasis appeared to be almost exclusively on production. The structures of production had been partly inherited, partly allowed to arise, and cohered to some extent under the charismatic leadership of the General Manager.

GEC at Kirkcaldy was part of a large British multinational. The factory was in a difficult market situation recently destabilised by the privatisation of British Telecom. At the time of the survey the plant was in a transitional phase between manufacturing traditional electronic switchgear for telephone exchanges, and manufacturing a new high-tech System X type of telephone exchange. The new product needed less labour, which had resulted in the closure of the second factory at Glenrothes. Fear of redundancy at Kirkcaldy was high, and that in an area where there were high levels of unemployment. Labour force morale was therefore somewhat depressed. The apparently rather benevolent General Manager was assisted by an able and allegedly slightly abrasive team of younger managers. The General Manager recognised the need for changes in working practices and, as already noted, had introduced a single status canteen. The management team gave the impression that their focal point was the need for production results. On the shop floor there was some residual tension as a result of recent reorganisation of work teams, which had eliminated some grades and introduced a new grade of worker who both organised the flow of work and worked on the production line. This seemed to be an entirely structural change, there being no attempt to accompany it with notions of team competition or team loyalty.

Working conditions at the GEC plant were generally good with adequate canteen facilities and rest areas, a universal pension scheme, good sick pay conditions, and a stock purchase plan, none of which

existed at Lemac (Table 1). There the consultative machinery had virtually disappeared leaving only a bimonthly joint shop stewards' committee meeting with management.

Toilets at both plants were graded for different types of worker and at both factories there were some reserved parking places for senior personnel. Neither GEC nor Lemac operated an open plan system, but at the time of the research, the shop floor environment at Lemac was uniform for everyone, whereas at GEC there was a substantial air conditioned section. Lemac's superannuation scheme covered staff only, but unlike GEC, it operated a savings scheme. Lemac also had annual incremental pay rises for non managerial employees (Table 3). While GEC might have allowed more than fifteen days off work on full pay with a doctor's certificate, Lemac allowed none (Table 3). Perhaps partly as a consequence, Lemac had almost three times the quit rate of GEC, and also more than twice the daily absentee rate (Table 4).

While there was no works committee at Lemac, at GEC a works committee still functioned and there were separate joint shop stewards' meetings (Table 2). The impression at both factories was one of guilt feelings at the demise of the consultative system and a determination to restore it as soon as possible. Both companies implied that a very difficult market situation had forced them to concentrate entirely on production with the minimum amount of time spent off the line by everyone on the shop floor, thus implying that consultation was a luxury which could be afforded only when times were "good". There also appeared to be little pressure from the labour forces for consultation, although there was little satisfaction at the flow of information (Table 16). Satisfaction with the flow of information at Lemac was comparatively high (Table 16). Lemac's plant was almost closed in 1980 and there was a general awareness that slowly the situation was improving. The IBM section was clearly seen as a hopeful development in this respect. There was an impression that when the situation was really difficult, all people wanted to know was that work was coming in and this could be seen by anyone walking around the plant. "It's orders that really matter", said one operator. It may be that in a desperate situation all other information can look like an unnecessary luxury, and to take time off production to acquire that information may even appear foolhardy. These impressions also imply that consultation is a matter of primarily

sharing information rather than participating in the decision making of the production process.

In both the GEC and Lemac plants a traditional style of management appeared to operate. Managers and technicians seemed to have no overt practice of being seen on the shop floor. Instead, the emphasis seemed to be on the immediate demands of production, with no evaluation of systems or setting of objectives for employees, or quality circles or their equivalent (Table 2). Trainee managers at both factories spent some time on the shop floor and managers at both plants were almost entirely drawn from the ranks of time served craftsmen (Table 6). At GEC the highest formal qualification held was an HNC, whereas at Lemac there were at least two graduate members of the management team (Table 14). At GEC senior managers were said to appear daily on the shop floor, whereas at Lemac, this was denied by those interviewed (Table 6). Interviewees did say, however, that in both factories middle managers appeared daily on the shop floor (Table 6). At both factories management had received specific training and only at GEC were there opportunities for in-company training. Several managers at both plants had received a private school education (Table 6). In both GEC and Lemac personnel departments stated that managers were promoted on the basis of merit and that there were career opportunities in both companies for managers (Table 6). While there was virtually no criticism of management at Lemac by blue collar workers, at GEC there was frequent mention of their abrasiveness, their infrequency on the shop floor, and their alleged hoarding of information.

The wages structure was also traditional, a mix of accepting nationally agreed rates and supplementing these by bonus systems negotiated at plant level (Table 7). In the case of GEC, scope for negotiating locally was constrained by limits set by headquarters in Coventry. At neither factory were wage levels secret, and while both operated a bonus system, only at Lemac was it in the form of a payment by results system (Table 10). At GEC the bonus formed a small element of wages based on the productivity of the company as a whole. It was also said at GEC that individual effort could be rewarded through the suggestion scheme which was in operation. The general feeling concerning wages was that they were low, and even although both factories were in a difficult market situation, there was little enthusiasm for doing the

same job for less money (Table 15). If wages were lower it was implied the employee would be better off on social security or unemployment benefit. This response may also have been a function of an older labour force not so interested in establishing a work record. Also most seemed to be married women with families, and conditions for them might sometimes have appeared more rewarding than for single people. Although it was said there were no industrial disputes in the year prior to the research, the quit rate and daily absentee rate at Lemac appeared to be twice that of GEC (Table 4). There are many possible reasons for this disparity, but given the similarity of the market situation for both factories and the similarity of labour force in terms of social background and conditions, the disparity may be attributed to a variation in the quality of management at the two plants. There are many other possibilities, and perhaps when enterprises are in difficulty there is a critical low point below which people lose the will to assist company survival. While GEC had not appeared to have reached this point, Lemac may well have come dangerously close to it.

In the use and designation of both toilets and car parks, both GEC and Lemac reflected common British practice, with some gradation of facilities dependent on the category of employee. At GEC, where an attempt had been made to erode the practice, resistance had come from managers. At both GEC and Lemac the shop floor environment reflected the age of the factory, but the environment at Lemac was markedly poorer than at GEC. It was more poorly lit, less tidy and less clean. While employees at both factories were content with lighting levels, they were more discerning on the question of cleanliness and tidiness. Employees at Lemac, many of whom had had previous work experience and therefore a basis for comparison, were critical of levels of cleanliness and tidiness. Heating levels were a much more problematic area of working conditions and at both factories most people thought the working environment too warm in summer, but approximately half of those interviewed at GEC and Lemac thought the factories were adequately heated in winter (Table 18). At GEC a particular feature of factory organisation was blamed for the lack of heat in winter. Finished products were loaded for dispatch through a large end door in the factory. When this was opened heat was lost to the outside atmosphere. This seemed to constitute a long standing grievance, and may account in

part for the very low number of interviewees believing that management at GEC was "very concerned" about the work environment (Table 18).

Trade union density, both in terms of numbers of trade unions and the number of people unionised, was much the same at both GEC and Lemac. So also was branch attendance (Table 7). While there did not appear to be any trade union facilities at the Lemac factory, trade union officers said they were given any time off for trade union activities, whereas at GEC, they were held to the recommendations of the appropriate legislation. This would appear to reflect a more relaxed management control at Lemac compared to GEC. Lemac, belonging to a much smaller organisation than GEC, responded to bargaining only at national level and at factory level. Since the same trade unions were recognised at both factories, union welfare and education facilities for members were virtually the same at GEC and Lemac (Table 8). At Lemac trade unions appeared to be consulted over a wider range of issues than at GEC (Table 9). Unions at Lemac had not felt the need to resist any management induced changes in the previous five years, whereas at GEC there were said to be two such occasions, over the issue of redundancies and the introduction of a new product. GEC, however, was prepared through the personnel department, to say that there was a consultative role for trade unions in management decision making, a view which was denied by the personnel department at Lemac (Table 9). At GEC trade unions had engaged in an overtime ban during the past two years, but otherwise, at both factories, personnel departments said that trade unions had been cooperative (Table 9). The workforce perspective of management's feelings about trade unions was generally positive, more than half believing that trade unions were "tolerated" and some believing that they were "a help in managing" (Table 19). At both GEC and Lemac there was some demarcation of work (Table 21). While most people seemed not to be trained for a specific job and most had done a number of different jobs on site, none of those interviewed at either plant regularly rotated through different jobs. This could indicate that their varied job experience was more likely to have been a function of the length of time of their employment and the chequered production history of the factory than of a deliberate management policy aimed at eliminating demarcatory practices. At the same time, despite the fact that the samples seemed to be largely of mature employees, most of them were

prepared to be flexible and adaptable and stated their willingness to train for a wider variety of jobs (Table 21).

At both GEC and Lemac the nature of the product (electric motors and telecommunications equipment) could be said to be more socially useful than at the other four factories (telecommunications test equipment, document processors, electronic typewriters, and video tapes), although it is recognised that there is a substantial element of subjectivity in this assessment. The question was raised from a feeling that employee attitudes at work might be influenced by perceptions of the importance of the end product. There might be grounds for arguing that where the product is recognised as being socially useful there will be less alienation, and enhanced feelings of pride and self confidence amongst employees. A related issue is the question of technologies. GEC was working at the forefront of telecommunications technology, although all the design work was done in Coventry. The production technology was a mixture of small batch production, line production and manual sub and final assembly. Assembly stages were interspersed with visual and electronic inspection. In Lemac fractional horse power electric motors were produced by line production methods with automatic stator and rotor winding and manual final assembly and inspection. The design was admitted to be about twenty five years old and more robust (ie., expensive) than that of competitors.

One of the most striking differences between the two companies was in the stratification of their labour forces. The newly redesigned division of labour at GEC had resulted in 80% having a job title (as distinct from a job description). At Lemac there were comparatively few titles (5%) For pay purposes, however, the number of grades was the same in both factories, sixteen (Table 11).

Finally, while there were notice boards in both factories, only GEC published a newsheet, and at neither GEC nor Lemac were there workforce meetings. GEC also employed a system of "state of business" briefings, the information for which came from headquarters at Coventry (Table 11).

The interviewees.

Since it was not possible to interview everyone in each factory, the personnel departments were asked to select approximately eighteen from each plant for interview. They were asked to select as typical a cross section of the labour force as possible, ie., from middle management, foremen, shop floor workers, male and female, young and old. Tables 12 to 14 give a comparative record of the people selected for interview.

TABLE 12

& Ref No	Description	Age	Company	with co	Member	Years	Occup
<u>GEC</u>							
1	Operator	41	12	48	N	None	F Driver M Machinist
2	Tester	38	15	69	Y	None	F Miner M Housewife Shop stew T&GWU
3	Operator	43	15	55	N	None	F Baker M Nurse
4	Fitter	47	19	61	N	None	F Railway driver M Conductress AEW Sh st
5	Cleaner	57	18.5'	84	Y	None	F Miner M Housewife Formerly ass wkr
6	Operator	30	7	50	N	None	F Painter & dec M Nurse
7	Operator	26	6.5	65	N	None	F Factory wkr M Factory wkr
8	Operator	27	6	22	N	None	F Railway wkr M Housewife
9	Checker	20	4	100	N	None	F Manager M Bar steward
10	Storeman	33	11	65	N	None	F Miner M Housewife Sh st conv & member GMBTU
11	Controller	35	19	100	Y	None	F Rivetter M Housewife
12	Operator	51	20	90	N	Nonw	F Miner M Housewife Sh st GMBTU
13	Operator	54	12	31	N	None	F Lino worker M Garage asst
14	Operator	51	12	34	N	None	F Fisherman M Housewife

TABLE 13

Company & Ref No	Job Description	App Age	Sex	Years with Company	%age of work life with co	Church Member	Educ Quals	Parents Jobs	Comments
GEC (cont'd)	15 Preparer	38	F	13	59	Y	None	F Miner M In service	
	16 Personnel Manager	32	M			N	C & G		
<u>Lemac</u>	1 Diecaster	39	M	10	43	Y	None	F Miner M Housewife	
	2 Operator	47	F	21	70	N	None	F Miner M Housewife	
	3 Clerk	32	F	2	20	N	MA	F Customs off M Nurse	
	4 Inspector	57	F	12	27	Y	None	F Farm labourer M Housewife	
	5 Operator	31	F	9	60	Y	None	F N/K M Hospital wkr	
	6 Operator	32	F	1	6	Y	None	F Lorry driver M Shop asst	
	7 Operator	46	F	20	100	N	None	F House painter M Cake decorator	
	8 Foreman	50	M	7	19	Y	ONC	F Grocer M Housewife	ex RC priest
	9 Operator	40	F	5	33	N	None	F Miner M Cleaner	
	10 Chargehand	50	M	16	47	Y	None	F Painter & dec M Housewife	AEW shop st

TABLE 14

Company & Ref No	Job Description	App Age	Sex	Years with Company	%age of work life with co	Church Member	Educ Quails	Parents Jobs	Comments
Lemac (cont'd)									
11	Operator	41	M	1.5	6	N	None	F Miner M Housewife	Shop st GMTU
12	Operator	48	F	25	100	Y	None	F Miner M Housewife	
13	Operator	18	F	1.5	75	N	None	F Miner M Hospital wkr	
14	Furnaceman	63	M	15	30	Y	None	F Miner M Housekeeper	
15	Production Manager	46	M	7	23	N	BSc	F Teacher M Nurse	
16	Foreman	48	M	15	47	Y	None	F Miner M Canteen wkr	
17	Quality Manager	51	M	10	33	N	BEng	F Pharmacist M Housewife	
18	Plant Manager	49	M	15	50	Y	HNC	F Soldier M Housewife	
19	Engineering Manager	43	M	18	69	Y	HNC	F Engineer M Housewife	
20	Personnel Manager	59	F			Y	None		

Employee attitudes.

Tables 15 to 21 give in summary form the responses of employees at the two British factories to the working conditions provided and the style of management exercised. They include the questions put to interviewees. Analysis of these responses forms the substance, along with analyses of the responses at the four foreign owned factories, of Chapter 4. They are inserted at this point for two reasons. They give a quick graphic overview of the responses at GEC and Lemac and they are a preface, as it were, to the methodological justification for the way in which the study was conducted.

TABLE 15

	GEC	LEMAC
ABSENTEE RATE		
How often are you absent in a year:		
never	67*	37
1 day	0	0
2 days	13	5
3 days	7	16
4 days	13	26
more than 5 days	0	11
JOB SATISFACTION		
Would you be prepared to work overtime without payment:		
Yes	20	37
No	80	63
Would you be willing to discuss your present job with other colleagues after hours:		
paid	40	21
unpaid	60	68
no	0	10
Are there times when you think about your work when you are not at work:		
constructively	7	37
with abhorrence	0	0
with interest	40	26
do not think of it	53	37
Do you like your job but would rather work for another firm:		
Yes	13	16
No	87	84
Do you like working for the firm but would rather be doing a different job:		
Yes	13	16
No	87	84
How many relationships with other people in the firm do you have difficulty with:		
none	80	59
some	20	41
Would you do the same job for less pay:		
Yes	27	11
No	73	89
Is your work mainly:		
routine	33	47
boring	7	5
exciting	0	5
quite enjoyable	60	42
Would you describe your job as:		
very satisfying	27	26
satisfying	67	68
not satisfying	7	0
very unsatisfying	0	5
What element of responsibility does your work carry:		
very responsible	33	31
responsible	47	63
little responsibility	13	5
no responsibility	7	0

TABLE 16

	GEC	LEMAC	
Have you ever openly argued with a superior?	Yes	53	63
	No	47	39
Have you ever refused to obey orders?	Yes	27	37
	No	73	63
Have you ever appealed to a higher authority?	Yes	33	42
	No	67	58
Have you ever been disciplined at work?	Yes	0	21
	No	100	79
Have you any further opportunity for advancement with the firm?	Yes	20	26
	No	80	74
How would you describe your status in the firm?	High	13	42
	Medium	60	42
	Low	27	16
Are you satisfied with the flow of information re. company policy and information?	Yes	20	69
	No	80	31

TABLE 17

	GEC	LEMAC
**READINESS FOR OVERTIME		
If overtime was available would you work it:		
very frequently (10 hrs or more per week)	33	25
frequently (c6 hrs per week)	47	31
seldom (c 2 hrs per week)	20	25
never	0	19
If wages were higher and you did not really need the extra money, would you work overtime for the sake of the firm:		
very frequently	7	12
frequently	27	25
occasionally	33	37
never	33	25
To clear an important job for the firm would you work overtime:		
very frequently (10 hrs or more per week)	47	50
frequently (c6 hrs per week)	40	31
seldom (c2 hrs per week)	13	19
never	0	0
Would you ever work a little unpaid overtime:		
Yes	20	31
No	80	69
Do you work unpaid overtime:		
None	93	88
Some (c2 hrs per week)	7	6
Much (c6 hrs per week)	0	6
TIME-KEEPING		
How often are you late for work:		
seldom (3 times per year)	40	47
never	40	53
often (once per week)	0	0
sometimes (once per month)	20	0
When late, are you:		
between 5 and 10 minutes late	87 (7)	
more than 10 minutes late	13 (1)	

** Questions put to blue collar workers only

TABLE 18

	GEC	LEMAC
<u>RATE OF MANAGEMENT CARE</u>		
Concern for on-site welfare:		
How concerned is management re safety:		
very strict		26
strict	67	47
slack	27	16
very slack	7	11
Are people disciplined for not wearing industrial clothing?	7	0
	93	100
Is fire drill ever carried out?	100	100
	0	0
Weekly	0	0
Monthly	20	5
6-monthly	13	
Annually	67	53
Is the work environment well lit?	100	90
	0	10
Is the work environment cool in summer?	13	26
	87	74
Is the work environment warm in winter?	53	42
	47	58
Is the work environment kept clean and tidy?	87	68
	13	32
In the light of the above questions, how concerned is management for the work environment:		
very concerned	7	21
concerned	67	63
little concerned	27	16
not concerned	0	0
Could management show more concern for the work environment?	80	74
	20	26

TABLE 19

	GEC	LEMAC
<u>SCALE OF MANAGEMENT AUTHORITY</u>		
How would you describe overall management style, eg:		
participative	7	37
paternalistic	40	16
authoritative	53	47
Do you feel that management recognises that your interests at work are not necessarily the same as theirs:		
Yes	60	74
No	40	26
Does management treat you as though everyone's interests at work were the same:		
Yes	73	74
No	27	26
What do you feel is management's view of trade unions:		
a help in managing	13	31
tolerated	53	63
a nuisance	33	5
obstructive	0	0
How do you think management view the firm:		
as a family	20	16
as a football team	20	21
as a number of different groups with different interests	13	21
as a collection of people simply thrown together in a place of work	47	42
Is conflict at work:		
faced up to	73	68
hidden	7	21
ignored	20	11

* Nos in () are actual numbers

TABLE 20

	GEC	LEMAC
* KNOWLEDGEABILITY OF MANAGEMENT		
Do managers obviously know more about the job than you:	40 60	32 68
Do managers ever ask you to demonstrate or explain what you are doing:	47 40 13 0	68 32 0 0
Do managers offer to show you how to do the job:	87 7 7 0	94 6 0 0
* LEVEL OF CONFIDENCE INDUCED		
Are your opinions asked for on:	33 27 13 0	0 31 31 25
industrial relations	YES	
work methods	"	
design of tools and jigs	"	
product design	"	
What kind of impression do you get from management of the future of the firm:	33 40 7 20	6 12 81 0
very poor		
difficult		
fairly good		
assured		
* MANAGEMENT TRUTHFULNESS		
Is management always truthful about the firm's prospects:	27 73	69 31
Yes		
No		
* MANAGEMENT FIRMNESS		
Is the application of discipline:	0 40 33 13 0 0 13	12 31 31 12 0 0 12
consistent	YES	
erratic	"	
fair	"	
spasmodic	"	
authoritarian	"	
oppressive	"	
slack	"	
* MANAGEMENT FAIRNESS		
Does management honour agreements?	71 (10) 19 (4)	81 19
Yes		
No		
Does management act fairly?	0 60 33 7	0 37 25 37
never		
sometimes		
often		
always		

TABLE 21

	GEC	LEMAC
<u>DEMARICATION</u>		
Are you trained for one specific job?		
Yes	33	37
No	67	63
Since joining the firm have you been employed in a number of different jobs?		
Yes	87	74
No	13	26
Do you regularly rotate through a number of different jobs?		
Yes	0	0
No	100	100
Would you be willing to train for and engage in a wider variety of jobs?		
Yes	93	53
No	7	47
Is there any job demarcation?		
Yes	53	32
No	47	68

Some initial comments on employee attitudes to work and perceptions of management

Tables 15 to 21 summarise the views of employees in two British engineering firms on a range of issues arising from the work domain. There is a sense in which that is all these results are, viz., a comparison between attitudes at GEC and Lemac. Their views are alleged to be typical, not because they express an average or a majority view, but simply because there is no good reason to believe that the factories and labour forces, as labour forces, at GEC Kirkcaldy and Lemac, Haddington, are special, unique, or in any sense extraordinary. By comparing them we are effectually saying that while they may be typical they are not identical and, indeed, reflect a spread of opinion which is likely to be found throughout British industry. Their comparison with results compiled at the four foreign owned factories will follow later (see chapter 4).

Turning to the results, it is immediately clear that employees at GEC appeared less likely to admit absence from work than those at Lemac. They may have been better time keepers, or fears for jobs may have been encouraging them to take a more optimistic view of timekeeping than the facts warranted. It follows also that job satisfaction levels appeared to be higher at GEC than Lemac (Table 15), since GEC employees appeared to have a better absentee record, were more likely to do the same job for less pay, to find their work 'quite enjoyable' and to have had less difficulty in relations with other employees. Employees at Lemac seemed to have a more positive approach to their work, being more prepared to work overtime without payment.

From the employer's point of view, interviewees at Lemac appeared rather more uncooperative than those at GEC (Table 16). This appeared to be reinforced by their description of status at work as 'high'. Their perception that they were better timekeepers than interviewees at GEC seemed to contradict their apparent uncooperativeness, although good timekeeping may be a function of pieceworking and reflect a degree of self interest. On balance, GEC appeared to have the more quietist of the two labour forces (Table 16), although there was a strong feeling amongst them that they were being starved of information.

Attitudes to overtime (Table 17) indicated a higher desire for overtime working at GEC, with perhaps a slightly diminished feeling of obligation to help out the company than at Lemac. This was reflected not only in the question of working overtime for the firm, but also in the question of working unpaid overtime (Table 17).

Interviewee perceptions of management.

Interviewee perceptions of management concern for the work environment were almost identical (Table 18), but most people at GEC felt they were being managed in a paternalistic and/or authoritative way, whereas a significant number of people at Lemac saw the management style as participative.

Interviewee perceptions of how managers saw the company were almost the same at GEC and Lemac, as were also the perceptions of the handling of conflict (Table 19). A significant proportion of people in both factories felt that management recognised a clash of interests in the work place (Table 19), with slightly more at Lemac recognising this than at GEC. The same feeling was also reflected in the conviction that management merely 'tolerated' trade unions, while a significant number of people at GEC thought they were seen as a nuisance.

On views of the labour force as a whole, the biggest single group of people in both factories saw themselves simply as an ad hoc collection thrown together by the exigencies of the need to work. Responses to this set of questions were very similar in both factories. Only a minority was attracted to the 'family' concept of the labour force (Table 19).

Employees at Lemac may have been more likely to have been left free of supervision in 'getting on' with the work than at GEC (Table 20). The difference in product design and age may be a factor here. Many of the women at Lemac had been building the same type of fractional horsepower motors for so long there would appear to have been little anyone could have taught them about the job. This was further enhanced by a significant number claiming to be consulted on product design, unlike those at GEC (Table 20).

None interviewed at Lemac could recall being consulted on industrial relations. Despite the apparent lack of recognised 'signposts',

industrial relations did appear to be reasonably good, even relaxed, albeit on two comparatively brief visits by an observer. Perceptions of management truthfulness, and the imposition of discipline and fairness seemed to corroborate this view (Table 20).

Clearly anxiety about the future was keen at GEC for reasons already stated, and the apparently abrasive style already alluded to seemed to be supported by perceptions of the imposition of discipline and management truthfulness (Table 20). All told, management was perceived in both factories as less knowledgeable of the practicalities of the production line work than manual workers, apparently uninterested in what the operator was doing, or alternatively having much trust in operator skills, apparently uninterested in worker views of the company, and of key issues at the workplace, but generally honouring agreements and acting fairly. Opinions were more divided over the application of discipline. Most people in both factories were divided between those who felt it was erratic and those who felt it was fair. Very few felt discipline was administered consistently (Table 20). While most people at Lemac thought management was truthful, most people at GEC thought it untruthful. This may have been a function of the alleged paucity of information at GEC with regard to future production. In the absence of information it could be argued rumours are likely to arise to fill the vacuum. Their almost inevitable diversity is almost equally inevitably attributed to management deceit, whether fairly earned or not.

Most people at both factories were not trained for one specific job, but rotated through a variety of jobs over time (Table 21). The job rotation did not appear to be part of a conscious plan with, say, a timescale of weeks or even months. Rather, job rotation seemed to be a function of length of service in the factories. People had been there for a time long enough to have witnessed changes in product and product design which had necessitated movement of personnel. At both factories most people seemed willing to retrain for alternative work, many more at GEC than at Lemac, presumably because of the perceived difficult market situation (Table 21).

Finally, interviewees seemed to feel there was less job demarcation at Lemac than at GEC. Lemac did have a less formal, more 'all hands on deck' feel about the enterprise, than GEC. The GEC factory retained the

'feel' of being part of a large, long established company, certainly in comparison to Lemac.

In this programme it is being assumed that these two labour forces are typical, even although they exhibit a number of characteristics that appear to conflict with the stereotypical image of British workers. A significant minority was prepared to work overtime without payment (Table 15). Most people obtained satisfaction from their work (Table 15). Very few admitted to being disciplined at work (Table 16), a significant minority accepted high levels of overtime working (Table 17), most people felt conflict was faced up to (Table 19), most appeared to cope with the job without management assistance (Table 20), most felt management acted fairly (Table 20), and most were generally trained and willing to undergo retraining.

Perhaps more in line with stereotypes of British workers were the following characteristics. Most people had argued with superiors (Table 16), felt that unions were not really accepted (Table 19) and felt little sense of corporate identity with the firm (Table 19).

Methodological justification.

Why were these particular issues raised with personnel managers and employees? Firstly, the objectives of the programme must be kept in mind, remembering that the primary focus of interest is the cultural impact of and on large foreign owned companies in the United Kingdom. The social and work domains in Britain and North America have been extensively analysed by scholars in both of these countries and have been well documented. In Japan, comparable analyses by British and American scholars of the work domain began in earnest in the 1950s. There was an existing body of literature on Japanese society and culture, much of it from a religious and anthropological point of view. With the work of Ronald Dore(25), a new era of interest in the work domain began to evolve. From the work of Dore and others, a generally accepted view of employee attitudes in large Japanese companies emerged, to the effect that absenteeism was low, job satisfaction high, people worked some overtime without payment, employees were recruited from school and/or university with a general education, and remained with the

one company for the rest of their life, etc. This was also accompanied by a generally accepted view of large Japanese companies as paternalistic/authoritarian (see page 309ff.), generous in welfare provision for employees, strong on in-house training, extremely reluctant to sack employees, dividing the labour force into core group and temporary workers, very reluctant to pay off workers, etc.

These assertions and many more were mirrored in the pattern and content of the questions put to employees in the six factories. This *modus operandi* was intended to go some way towards answering the question, are Japanese employers in the United Kingdom treating British employees as they would Japanese employees in Japan and, if so, are they soliciting a comparable response? Certainly the media view seems to suggest that they do tend to see British employees as Japanese workers and that they are engendering "Japanese" type responses from British employees. In a recent article on Japanese companies in Britain, Alan Road began, "Culture shock number one for Pamela Rice when she began working for a Japanese company in Britain was the 7.30 a.m. start for office staff and production workers. 'It took me a long time to be awake at that hour,' she admits." (26) In the same article he later wrote, "Culture shock number two was discovering that she would have to wear an overall at work. Her initial resentment was not entirely dispelled when she learnt that Mr. Nakamura, her boss, wore an identical overall. Now she concedes that it is part of the Japanese approach to industrial relations. 'It's a family feeling they are trying to create,' she explains. At first, the bells that call staff to their ten minute tea-breaks and half-hour lunchtimes were a further cause for resentment." (27)

At the academic level, only one full study to date has been made of this issue in the United Kingdom, and that by White and Trevor (28). Their findings suggest a much more varied and skilful approach by the Japanese than a simple transposition of Japanese practices to Britain. The present study tends to confirm the views of White and Trevor in this regard, but some points of difference from their findings and the reasons for them will emerge in the subsequent analysis. Furthermore, the present study tries to push the research a stage further in a particular direction. The end interest is not how Japanese companies organise themselves and their workforce in Britain, but the Japanese

cultural processes that have given rise to current practices and the effect on people of the encounter between the Japanese socialisation and British socialisation as manifested in British employees.

It should be noted at this point that theories of cultural convergence in the work domain are treated with much scepticism and the enduring presence of national cultural processes, even amongst the collective of advanced capitalist nations, is a fairly firm conviction. The reasons for these have been imaginatively explored by M. Maurice et al (29)

The effects of the encounter of the two socialisation processes of Japan and Britain are of interest at the cultural/religious level, since of all the advanced capitalist countries, Japan is unique in being largely uninfluenced by Christianity. Secondly, while Japan is generally counted as an advanced capitalist country, its form of capitalism and particularly the relationship between state and industry, "styles" of investment, relations between companies, the nature of conglomerates and the shape of the labour market, even accounting techniques and procedures, have sometimes led to the conclusion that it espouses an "heretical" form of capitalism. A latent question of the current research programme is the question whether or not these phenomena have a bearing on industrial relations praxis.

This is something of the background against which the questions of the programme have been framed. How do American companies score, as it were, if the same questions are put to their employees? There is wide agreement of a close relationship between Japanese industry and American industry. Indeed, in the years immediately after the Second World War, the Americans helped to organise and rebuild Japanese industry. It would also appear that the same Japanese spirit that induced Japan to model its local government organisation on that of France led to a study of management practices in what were perceived to be the best American companies. Indeed, the present study will reveal a close similarity between practice at Hewlett Packard and that at Maxell. The recent use of quality circles by the Japanese appears to be a further example of the same approach.

A comparison base is produced by putting the same set of questions to two British companies. Two further sources of information have been used, company literature, and from interview tapes, comments further to

the direct answers to the questions posed or initiated by the questions posed, and offered as additional unsolicited comment. Neither source lends itself to numerical assessment and tabulation. They do, however, reveal nuances of attitude and values that are often referred to in subsequent chapters.

The focus of interest.

If the focus of interest is primarily comparative, the results almost speak for themselves. Tentative conclusions of the White and Trevor type could be made. They would be tentative because a sample of two is not a base on which to build general conclusions. The results are more fairly seen as six case studies, perhaps to be added to many more in subsequent years, to build a picture from which general conclusions could be drawn in the future. From general conclusions it might then be reasonable to expect some general theory to account for the patterns of organisational behaviour in the domain of work. While the present programme would be flattered to feel that it made a contribution to future theorising, it has itself a set of immediate aims and objectives as outlined in Chapter 1.

Maurice et al argue that work attitudes are influenced fundamentally and primarily by education and training(30). The educational system in particular (whether it is general, eg., France or Japan, or specific, eg., Germany and to some extent, Britain and the United States) determines social perceptions of blue and white collar work, pay differentials, and mobility from blue collar to white collar work. While their arguments appear lucid and strong, the current programme takes the view that the educational system itself is culturally determined in terms of content (general or specific), length (compulsory, short or long), and shape (private versus public, internal stratification, type and status of qualifications, etc.). The argument has been elegantly used by Maurice et al as a base on which to build a comparison of employment practices in French and German industry. Two other features of the internal structures of companies and industrial relations in the sense of firm level relations and human resources management, are also identified as basic parameters for the cultural ethos of enterprises. In

comparison, the "systems" theory of industrial relations sees people at work as influenced by the political, economic, social and legal systems, each one of which is culturally conditioned, while Marxism argues that industrial relations are the distilled essence of class warfare.

The present programme suggests that none of these theories addresses the fundamental cultural values which give rise to the categories used by the theorists. In fairness to Marxists, it is recognised that they believe that values are the product of economic relations and not vice versa. Maurice and Dunlop(32) seem to imply that their basic categories are as basic as it is possible to become while remaining "scientific". There is a tacit assumption that values do not lend themselves to "scientific" analysis. This thesis is postulated on two assumptions. Firstly, it is possible to be as scientific with values and value type concepts as with the social, political, educational and occupational systems referred to by Maurice et al. Secondly, comparisons of educational, economic and legal systems, and systems of enterprise organisation may lend themselves more directly to factual analysis, but that analysis is necessarily limited if it confines itself only to the "how" and the "that" of the system without asking about the "why". Why is the German educational system specific and that of France general? Why did Japan adopt the general system of education? Why do French enterprises have a substantial hierarchy compared with German and even British enterprises? Why is large company organisation in Japan finely stratified like the British Civil Service? There are cultural answers to these questions which, if completely understood, would provide a new theory of industrial relations.

Notes to Chapter 2.

1. See eg., N.Sasaki, "Management and Industrial Relations in Japan", Pergamon, 1981, p.31.
2. See M.Vehara, "Rethinking the School System", PHP., August 1984, and R.C.Christopher, "The Japanese Mind", Pan, 1984, Ch.4.
3. N.Sasaki, op. cit., p.32f.
4. J.Hendry, "Understanding Japanese Society", Helm. 1987, p.136.
5. N.Sasaki, op. cit., p.35.
6. T.P.Rohlen, "For Harmony and Strength", University of California Press, 1974, p.193.
7. T.P.Rohlen, "'Spiritual Education' In a Japanese Bank", American Anthropologist, No. 75, 1973.
8. D.C.Lewis, "Religious Rites in a Japanese Factory", Japanese Journal of Religious Studies, Vol. 13, No. 4, 1986.
9. See eg., R.Mouer and Y.Sugimoto, "Images of Japanese Society", KPI, 1986, p.223.
10. There is some suggestion eg., from T.Sakaiya, that this framework may be passing in Japan. He believes that largely as a result of the oil crisis of the '70s, there is a new cultural atmosphere in Japan in favour of a more entrepreneurial society and less of a "salaried workers" society. As a result, "the privileges of salaried workers in big business will disappear with the arrival of the new age. Specifically, the systems of seniority based wages and lifetime employment will be gradually dismantled."- "New Role Models for the Work Force", in Economic Views from Japan, KKC 1986, pp166-173.

11. See eg., R.Wickens, "The Thinking behind the Union Agreement", Personnel Management, August 1985.
12. G.Broad, "Shaping Up Under Japanese Management", in Personnel Management, August 1987.
13. See eg., N.Sasaki, op. cit., p.133, who cites the results of a Japan Broadcasting Survey on Japanese views of vocation, conducted in 1979.
14. P.Dickens and M.Savage, "The Japanisation of British Industry? Instances from a High Growth Area", Industrial Relations Journal, Volume 19, No.1, Spring 1988.
15. See eg., R. Pascale and A.G.Athos, "The Art of Japanese Management", Penguin, 1983, p.80f.
16. A.Okumma, "Japanese and U.S.Management Methods Compared", in Economic Views from Japan, KKC, 1986.
17. See eg., R.C.Clark, "The Japanese Company", Yale, 1979.
18. S.Crowther and P.Garrahan, "Corporate Power and the Local Economy", Industrial Relations Journal, Volume 19, No. 1, Spring 1988.
19. R.Mouer and Y.Sugimoto, op. cit., p.92.
20. R.Dore, "British Factory: Japanese Factory", University of California Press, 1973, p.258.
21. See eg., "Japanese Corporate Decision Making", JETRO, No. 9, 1982.
22. R.Jones and O.Mairiott, "Anatomy of a Merger. A History of GEC., ABEI., and English Electric", Cape, 1970, p.12.
23. "GEC Telecommunications Ltd.", published by GEC, 1985, p.5.
24. Ibid.

25. Op. cit.

26. Alan Road, "Sunday Observer", 24th. April, 1988.

27. Ibid.

28. M.White and M.Trevor, "Under Japanese Management", Heineman, 1983.

29. M.Maurice, F.Sellier, and J.J.Silvestre, "The Social Foundations of Industrial Power", MIT, 1986.

30. Op. cit., p.28ff.

31. J.T.Dunlop, "Industrial Relations Systems", New York, 1958.

CHAPTER 3

THE ENCOUNTER BETWEEN THE FOREIGN ENTERPRISE, ITS MANAGERS AND THE

INDIGENOUS LABOUR FORCE.

"...there is a need to recognise that what Japanisation might be, and whether it is occurring, raises many questions of comparative analysis that are at present unresolved." S.Ackroyd et al.

Inward investment is avidly pursued by most countries including the United Kingdom where it is often assumed to be a national good per se. Against a background of popular perception that the world is moving towards one global culture little account seems to be taken of the effect of the encounter between the culture of the managers and owners, and the culture of the labour force of the invested country. There is evidence to indicate that the Japanese can be particularly dismissive of at least some cultures, (1) and that their propensity for putting everything into hierarchies also includes national cultures. In the ranking of cultures British culture seems to rate fairly highly as may be illustrated by Mr. Atushi Nagai's (2) translation of the autobiography of Thomas Telford into Japanese (3).

Secondly by way of introduction to this chapter, it must be noted that amidst the high unemployment of the 80s and increasing global competition, it often appears to have been assumed that cultural differences between the inward investor and the host culture will be virtually insignificant. The impact of competition and unemployment will force labour to conform to company demands, giving at least a veneer of similitude to labour worldwide. The international move to similar types of labour, core, temporary, part-time, subcontract, etc., appears to substantiate the argument and support the view of a global movement towards one industrial culture. The recent dispute at Ford's English plants (February 1988), however, may indicate that indigenous cultural attitudes are more robust than at first thought, and perhaps even able to lie dormant until market changes provide an opportunity for their reassertion.

Before proceeding to the substance of the chapter, the description of a public limited company as "foreign owned" needs to be clarified. What is meant here is that the registered head office of the company is in a country other than the United Kingdom and that the enterprise is generally regarded as Japanese or North American as the case may be. This programme is not particularly interested in the national composition of the stockholders, but assumes that where a company is described as North American or Japanese, that a majority of the stock is held by nationals of these countries or national institutions (i.e., banks, pension funds, etc.) in these countries.

The substance of this chapter, begins with a brief description of the four companies and their plants in Britain, two Japanese and two American owned. Essentially this section is examining the question, what changes, if any, are induced in the indigenous labour force by the incoming management and new framework of plant and conditions provided by the inward investor? To try and answer that type of question there is available a "long" American picture, at Hewlett Packard and Burroughs and a "short" Japanese picture at Maxell and Brother ("long" and "short" referring to the length of time the factories have been operating in Britain). The chapter therefore begins with a brief description of the four companies and their factories which is followed by a tabulated description of the people interviewed. These tables are in turn followed by a description of the working conditions, tabulated in the form of responses to a standard set of questions for personnel managers and departments. Employee response to management practice and their working environment is also tabulated from interview schedules. Finally, both the work environments and employee responses at the four factories are compared.

MAXELL (UK) LTD.

Maxell (UK) Ltd. is a subsidiary of Hitachi Maxell Ltd (established in 1961 in Japan), and was established in August 1980 in Harrow, Middlesex. Hitachi Maxell Ltd. is part of the Hitachi group of companies which began as an engineering offshoot of a mining company in Japan in 1910. (4) In 1985 the sales division of Maxell (UK) Ltd remained at Harrow, but the head office and manufacturing division was located at Telford, in Shropshire. A manufacturing plant was built there in 1983 to make a range of video cassettes and floppy discs. The company alleged it chose Telford for a number of reasons. Firstly Telford had a " high quality workforce with a well developed awareness of technology, a good supply of parts and materials, good facilities for contracting out sub-assembly work, a favourable location for distribution, and good relations with the local community". (5)

Secondly there was no history of Japanese factories operating in the district. The Managing Director wrote "Our basic policy was to apply to

our European operations those very management concepts which have been strictly adhered to since Maxell was established, right up to the present day and the know-how that we have developed over the years, and for this reason we felt that in choosing a location to find a place whose people have the kind of qualities I have just described was very important. Furthermore, in order to implement our management policies it was preferable that our prospective employees have no preconceptions about Japanese companies and should not be influenced by what goes on at other companies, and this is why we chose a place where there were, as yet, no other Japanese companies, virgin territory, as it were."(6) There was no mention in this document of substantial government grants and local authority inducements to locate in Telford.

The 110,000 sq. ft. factory, a £20 million investment at 1983 prices, began production in the Spring of 1984 on a greenfield site of 60 acres, and by 1985, 150 people were employed. The completely air conditioned factory was divided into a number of different departments. The production process began in the injection moulding bay, a substantial area which contained eight Swiss made injection moulding machines. These produced the two outer halves of the cassette case. The machines ran continuously on a three shift cycle. After passing into the production line assembly area the finished casings received a number of small internal parts, some bought in from local suppliers, from a row of robots. The assembly line was supervised by technicians and maintained by engineers, a number of whom were Japanese. Adjacent to the production line was a tape insertion process. The almost completed cassettes were opened, the blank tape which was brought in from Japan was fed into them, and they were resealed, the whole process being completed by robots. People were used to load and unload at either end of the line, to check the process down the line, and to maintain the equipment. In parallel with the video tape production was a second production line making floppy discs.

After production both floppy discs and video cassettes moved into the packaging and finishing department. The fifth section of the factory was a warehouse area for storage and dispatch. The finished products which had been put into cardboard boxes in the packaging and finishing department, were stored in high, electronically controlled racks, and a "just in time" policy prevailed here. Finished products could be

produced in the morning and dispatched in the afternoon, so that there was a minimum amount of stock on site at any one time. In addition this warehouse also handled items not made in Britain, such as the Maxell audio tape.

There was a separate quality control department where the quality of the tapes, discs and finished products was continually monitored on audio visual units by a small team of people who had had previous production experience. The office/production area was completely open plan, with the Managing Director's desk at one end of the L-shaped office. Even the interview area was merely screened off from the rest of the office. Here people tended to speak quietly, which lent to the faintly "hospital" atmosphere. Only the conference room was a separate area, in which the monthly Members' Council met and in which videos were occasionally shown to customers or other interested parties. The factory was throughout well lit and very clean with drinking wells provided here and there to compensate for the low humidity levels. There were different toilets for different sexes but not for different grades of labour. No rest rooms were provided but the canteen included a rest area in which there were also two table tennis tables. No smoking was enforced throughout the factory. On entry to the canteen and production area white hats, coats and plastic shoe covers were provided and in contrast to many other factories, the production area was the clean area and the offices the dirty area.

The box shaped factory was built almost entirely on the one level and, in the local town, had a reputation for secrecy, perhaps heightened by its futuristic shape and the lack of windows, which contributed to the impression that something esoteric might have been going on inside. There was some technology secrecy, especially about production in the floppy disc section, and also about the design of the line of robots which had been developed by Maxell to assemble the video tapes. In the Spring of 1985, Central Television had made a film on the working of the factory, but had not been allowed to film the video tape assembly robots. Very little scrap appeared to be produced in any of the production departments.

Initially in 1983 there had been some 3,000 applicants for 150 jobs. (7) People had been chosen on the basis of personality, dexterity, and dependability. The majority were young people, recent school leavers

or YTS trainees, with little or no qualifications. (8) Women had been chosen for non supervisory posts, and men as technicians. Some men were time served in a branch of engineering, and a few held HNC qualifications. Some supervisors had previously been in the armed forces or the Civil Service, and came with no formal qualifications. People recruited for more senior jobs, such as production manager or office manager, had been chosen mainly on the basis of previous experience. The company gave the impression it had not been looking for highly qualified people or craftsmen. It had been looking essentially for people who would conform to the company ethos and practice and who would be qualified enough to operate the processes on site. This seemed to be unlike the recruiting policies observed by White and Trevor at JEL. "The JEL employees were also as a whole more qualified than elsewhere in New Town.....some 40% had some kind of qualification- either school, technical, or higher." (9)

People were rotated both within sections and across sections, sometimes on an hour to hour basis. Throughout the production process there was great emphasis on quality control. One of the visits coincided with "quality month" during which everyone wore lapel badges on which was the word "quality". It was said that the people who were employed on the production process were there basically to check quality at every step of the process. In the quality control section regular checks were made, not only on Maxell products, but also on the products of competitors. Maxell, whose tapes and discs are dearer than those of competitors had decided to compete on the basis of quality rather than price. The impression given was that quality meant staying amongst the market leaders or perhaps at most, one step ahead of the leaders. It did not mean going for quality in any absolute sense.

The factory also appeared to employ the minimum number of people both in production and in administration. It was acknowledged by the Managing Director that this was company policy, and that it caused some problems when people were absent. In order to meet market demand, it was not uncommon for the company to ask people in administration to work on production lines, either in the evenings or at the weekends. The female receptionist/telephonist had already done this on a number of occasions and said when working in the injection moulding department she was working so hard sweat was running from her. She had also worked on

occasion from 8am. to 11pm., leaving the reception area at 5pm and working on production until 11pm. She admitted she liked this occasionally, but would not want to work in this way on a permanent basis. The same person said she enjoyed working for the Japanese company and had been there almost since its inception.

Maxell admitted that they had a policy of looking for a certain type of person. "What we felt most important in selecting personnel for the Telford operation was to find individuals who could apply themselves with equal vigour to a variety of tasks rather than to employ people with a particular technical expertise. To train senior members of staff in our main factory in Kyoto was also part of our plan." (10) In fact it later transpired that Maxell was looking specifically for young, female, labour, with no previous industrial conditioning and with personalities that would maximise harmonious, quietist relations in the factory. Indeed this latter requirement appeared to be given priority over formal qualifications in the interests of labour control and flexibility. Initially the eight senior British people chosen for training in Japan were in the age range 21 to 39. They were called by Maxell, "samurai" after the warrior class responsible for the success of the Meiji restoration. The plant was run as "a one class factory where everyone is a member". (11) People were employed on the understanding that there would be no demarcation, that everyone would be prepared to be flexible and to undertake a variety of different tasks within the factory. Traditional stratification was overtly blurred by company policy. "I am a member just as the young girls on the shop floor are members," (12) wrote the Managing Director. He went on to say, "Our locker rooms have the kind of atmosphere you expect to find in a golf club and are ideal for fostering good communications among the staff." (13)

The Japanese practice of beginning the day with exercise was used at Maxell. "One thing that the eight samurai brought back from the Kyoto factory was exercising to music before work each morning. They urged me to institute the same thing at the Telford factory, insisting that a pre-work warm up made them feel fresh and raring to go, so I had an NHK tape recorded in Japanese sent over from Japan, and we exercise to this every morning." (14) The Managing Director extolled the virtues of this practice and implied that it was introduced by popular demand.

Links with the local community were also highly valued. The company stated bluntly that having invested £20 million in Telford, it had no intention of uprooting and pulling out but of remaining for the foreseeable future. To foster good relationships with the local community, Maxell had presented 1,000 cherry tree seedlings to the local council. The Council had responded by planting a cherry tree orchard in the park in the centre of Telford and they had named this "The Maxell Cherry Garden". Additionally the Managing Director undertook many speaking engagements at schools and community events in the Telford district.

Something of the company's business philosophy was reflected in the handbook which was given to everyone who became an employee. "Our primary responsibility is to serve our customers in the most efficient and effective way possible." (15) A glimpse of the company view of industrial relations is contained in the phrase "Create and maintain an atmosphere of mutual trust, confidence and cooperation within Maxell (UK) Ltd." (16) The employee was reminded that the success of the operation was a team effort and that four factors were uppermost - safety, quality, delivery and price. Employees were also reminded that efficiency was a key concept and one that "helps us keep a price that is competitive in the market." (17) and that "we all work for the same bosses - our customers." (18) The handbook was in fact comprehensive and partly influenced by the British Personnel Manager.

Every employee was known as a "member" and canteens, car parks and toilets were not differentiated. The labour force was essentially young, the average age being approximately 31. It was a dual labour force having some 30 to 40 temporary workers out of a total of 150 employees. There was a no redundancy policy. but since inception, absenteeism had risen to 4%. and a number of people had been moved on several occasions to positions where they were thought to be more "suitable". Each member, on their uniform, wore an identity card on which was a passport type photograph, their birth date but not the year, their starting date with the company and their company status.

The company did not appear to encourage the acquisition of external additional qualifications, further training being given "in house". Something of the same philosophy was also present in the company's attitude to pay. Maxell did not want to be the poorest payers in the

area nor, significantly, the best payers. At the beginning, wage levels were set at the district average and the Personnel Manager admitted that over the past year they had fallen a little below that average. This in fact was reflected in the feeling of the workforce who, without exception, said they would not do the same job for less pay. The impression given was that people were aware that they were now a little underpaid in comparison to the area average. There were no trade unions or staff associations in the factory, and when people were being selected, those who were active in such organisations were overtly avoided.

The Managing Director, a Japanese national, was a man of 61 years of age, who had spent all his life with Hitachi Maxell. He gave the appearance of being well informed of the day to day running of the company, without being too closely involved in the less important decision making. He liked to keep contact with local schools, local farmers, the local authority and with his counterparts in the supplying companies and was keen to introduce as many Japanese practices as possible. He said he saw himself reversing the tradition of "when in Rome do as the Romans". Hence his enthusiasm for work force exercises in the mornings and his enthusiasm for the open plan office layout. Although no one interviewed would use the word "paternalistic" of the management, there were a number of small indicators of a paternalistic attitude on the part of the Managing Director. Facial hair on men was discouraged and one of the technicians had been asked by the Managing Director to remove his moustache. The British Personnel Manager felt obliged to remove his moustache at the same time, to set an example. The Managing Director has also been known to discipline people for whistling on site and for standing with their hands in their pockets. He was the oldest person in the factory and the only one to be addressed by the title "Mr." Everyone else was known by their first name including the eight Japanese engineers who had all adopted British first names. These men were not on the Maxell (UK) payroll, but on the payroll of the parent company in Japan. The Managing Director saw the investment at Telford as a long term one, was prepared to write off the initial costs over a fifteen year period, and spoke openly of several generations working in the factory. He disclosed that a number of products were ready

to replace existing ones when market conditions demanded a change. All research and development was done, however, in Japan.

Brother Industries (UK) Ltd.

This firm was wholly owned by the Japanese parent company of the same name. It began production on the Wrexham technology park in North Wales in 1983, in a new factory built on a greenfield site on the outskirts of the town. The cost of the investment had been met by Brother Industries from its own resources. The factory was very similar in external appearance to the Maxell factory, being essentially an air conditioned box-like construction, with virtually no windows to the outside. In 1985 there were 315 British employees and 6 Japanese employees. The majority of the British employees and almost all of those who worked on assembly lines, were school leavers in the age group 17 to 19. No trade unions were recognised although some older employees were members of unions.

In an unpublished leaflet, Brother industries said they had built in Britain to allow them to respond quickly and flexibly to European market demands, to reduce trade friction between Europe and Japan, and to safeguard employment in Japan. (19) Investing abroad is said to stimulate in Japan research and development jobs which need high quality Japanese labour. The company chose Wrexham for its proximity to Manchester, where they already had their European sales headquarters. They were producing a full range of office, compact and portable electronic typewriters and aimed to produce 200,000 units for sale in EEC countries. The company appeared to have had no difficulty in recruiting general workers, who had been given on-the-job training initially by Japanese engineers and technicians, but did have some difficulty in recruiting the more highly skilled engineers and staff members. Many of the Japanese engineers and technicians had returned to Japan so that on-the-job training was now the responsibility of the more experienced British operators. Those in supervisory grades had been trained in Japan for approximately one month. Wage levels "are decided through discussions between British general manager and Japanese staff on the basis of the original plans made by the Japanese staff. The result of discussions are explained by

the British general manager to the British supervisors. We have adopted this way to communicate with local employees satisfactorily." (20) In practice, the system was very similar to that in operation at Maxell.

The company was trying to buy most of the components and sub-assemblies in Britain and Europe, although they complained they had had problems with both the quality and price of locally supplied components. "We think it is more efficient to use local subcontractors to supply master components, giving us better communications and a personal working relationship with suppliers." (21) Quality circles were introduced in 1986 and currently productivity levels were said to be comparable with those being achieved in Japan.

Management policy was said to be "Good is good and bad is bad. Though our main company system is based on a Japanese system, we do not have any intention of imposing it totally upon the local personnel, because not all of the Japanese system is good. In this instance we will introduce the good points of the British system to our factory" (22) Although they had introduced a single status policy, the factory was not as "Japanese" as the Maxell factory. There were, for example, no exercises to music at the beginning of each shift.

In Brother Industries, personnel matters were the responsibility of the British Production Manager, who reported to the senior Japanese official on site for production output and the supply of components and subassemblies. He had been trained in Japan and said that throughout the company there was a very heavy emphasis on growth and, in Japan, many graduates were being recruited. The parent company expected almost total commitment from its "members", who were directed to work abroad and must accept a foreign posting if they wished to remain with the company. In practice, most of the Japanese in the factory were on the payroll of the parent company, and spent three months in Britain. The British Production Manager felt that although ostensibly the Japanese appeared unambitious, underneath many were driven by strong feelings of ambition.

When recruiting personnel, he admitted he was looking for "unambitious youngsters with low qualifications but good manual dexterity", and "easy personalities". He did not want "outdoor types", and was looking for only some five or six years work out of these recruits, after which time he would replace them with another batch of young people. He was sure that the Japanese needed good senior British

managers to "save them making mistakes", and would have liked to have seen Brother Industries operate as a British company. To that end he was making every effort to modify perceived Japanese practices.

In contrast to Maxell, the Japanese at Brother kept a very low public profile and had not adopted British first names. Like Maxell they had a reputation for male chauvinism, encouraged by the fact that there were only three female supervisors. They also displayed some personal dislikes, such as the practice of chewing gum, which was directly discouraged in the factory. Like Maxell, managers were frequently visible on the shop floor and appeared to work after the production day (8am to 4.30pm) had finished, from 5pm to 9pm, to clear paper work and administration.

Their method of setting rates of pay was essentially "British" in character, there being set scales for different employees depending on job and age. As in Maxell there were no incentive schemes or bonuses, only flat rates and overtime rates and there was no wage negotiation. Rates had risen annually since start-up by increments set by the management team. Employees had the simple option of accepting these rates or leaving the company. Wage rates were perceived by employees to be a little above the average for the district, and high levels of overtime were being worked.

Basically, the product was manufactured by five teams making five models of typewriter on five different assembly lines. Competition between assembly teams was actively encouraged by, for example, the daily publication of the number of completed and fully inspected products. While there was frequent job rotation in any one team, it was rare for members of one team to be moved to another, even in the event of absenteeism threatening team production. This had the effect of putting team social pressure on employees to minimise absenteeism. It also put pressure on line supervisors and teams to work harder to cover the effect of any absent member.

Some extruded parts were manufactured on site, but many small parts were bought in from local suppliers and the production lines were essentially engaged in assembly work. After on-the-job training, employees could be promoted to the position of floater, "floating" to any one of a variety of jobs on the line, and earning a small wage premium. After a further six months, promotion to team leader could

follow with responsibility for the work of five or six, out of an assembly line of thirty people. The team leader was expected to engage in any one of a number of jobs if necessary, and to enforce overall quality standards for that section of the assembly. Some team leaders (for which there was a small pay increment) were eighteen years of age and in charge of people older than themselves. This called for quite mature management/supervisory skills, which the line supervisor tried to encourage and support. Those removed from line work to inspection also had the status of team leader and when needed could be put back on production for a period.

The company had published few items of literature in Britain and did not have a published company philosophy. Like Maxell, it encouraged people to see themselves as "members", and part of a manufacturing family. All facilities on site were single status and the office accommodation and production areas were open plan. Where Maxell sought to be as Japanese as possible, Brother alleged it tried to be as British as possible in the sense of avoiding the more peripheral external signs of Japanese labour relations such as morning exercises, and the celebration of birthdays. In fact, on examination, the Brother factory appeared to be organised and run in a way very similar to that at Maxell, and had many features associated with Japanese manufacturing practice in Britain, single status working, common workwear throughout the labour force, just in time stock holding, an emphasis on total quality control, labour recruitment criteria based on personality rather than formal qualifications, and team working/competition.

There were also signs of a growing interest in company sponsored and work based social activities. Once a month groups of employees formally arranged a supper dance in Wrexham, partly subsidised by the company. This looked almost like a British adaptation of the Japanese practice of retiring for drinks and socialising after working hours.

There were no consultative meetings or Works Council, and there appeared to be few opportunities for formal collective participation. All enquiries concerning working conditions were channelled through line supervisors to management.

Several traditional British demarcations did not exist so that there was no separate maintenance department, no apprenticeships, and no

formal or recognised skill training. Instead people were being specifically trained to meet the needs of Brother's production.

Hewlett Packard.

Hewlett Packard who began operating in England in 1961 opened their factory in South Queensferry in 1966. It was extended by 100,000 sq. ft. in 1970 and a new microwave operation added in 1984. The South Queensferry factory was making telecommunications test and measurement equipment, microwave systems, and printed circuit boards. It was part of a multinational company based at Palo Alto, California, which is the world's sixtieth largest US based company employing 84,000 people worldwide in seventy five countries. The company was divided into a number of divisions, each responsible for research and development, and manufacturing and marketing a variety of products. The company stated, "This indigenous small company spirit is of importance even today in the light of the company's dynamic growth as every employee feels that they are working for an identifiable unit" (23) The company believed that the quality of the work environment was important and stated that it actively encouraged "initiative and creativity by providing a relaxed and pleasant work environment". (24)

The management style was described as "open door", indicating that everyone, from managing director down, was in theory equally available to all employees. This view was fostered by having a factory which was almost entirely open plan, and all on the one level. Under one roof were production areas, stores and offices, separated by temporary walls some five feet high. The whole of the internal area was air conditioned and very adequately lit.

The main factory at South Queensferry, called the Queensferry Telecommunications Division (QTD) included the largest R&D facility of its kind in any of the Hewlett Packard manufacturing operations. (25)

Hewlett Packard claimed that its benefits for employees were amongst the best in Britain and that they offered "attractive merit based salaries which are reviewed every three months." (26) After six months service employees were eligible to take part in a profit sharing scheme

which had meant an average 7% on salaries in the past five years. After one year of employment company shares could be purchased at 75% of the market value. Employees worked a thirty nine hour week with flexible start times and flexible lunch breaks. Individuals could choose to begin work within a period of two hours from 7am to 9am, and were responsible for their own timekeeping thereafter. In practice, some social pressure was brought to bear on them by their immediate colleagues who were apparently quick to spot those who were cheating the system. All employees qualified for a non contributory pension and free life assurance.

Attached to the South Queensferry factory was a substantial sports and social club with its own bar, function centre and squash courts. There were many employee based clubs, including golf, football, fishing, photography and curling. Near Blairgowrie the company owned a 120 acre estate, including a well stocked trout loch, and a number of holiday cottages for employees. The company stated that "Hewlett Packard regards its employees as its most valuable resource, a fact which is fully reflected in the rewards offered." (27)

Frequently, both amongst employees and in the literature published by the company, "the HP way" was referred to as a management style which encouraged individuals to take responsibility for setting targets and achieving objectives within their own areas. In practice, everyone including the Managing Director, had a number of objectives to which everyone subscribed over a period of a year. These objectives were annually assessed by immediate superiors and on the basis of that assessment the individual's rate of pay for the following year was calculated. This was said to encourage individual and corporate progress.

The company had enjoyed very substantial growth since its inception, attributing this to a massive and continuing investment programme which had amounted to 2.5 billion dollars in the previous five years(28) and a continuous stream of new products. The QTD was to be "the world's leading supplier of dedicated measurement capability, needed to design, install, performance monitor, troubleshoot and repair telecom equipment and networks." (29)

Hewlett Packard said they had decided to build a factory in South Queensferry because of "the excellent potential workforce", (30) its

proximity to universities such as Edinburgh, Glasgow, Aberdeen and Dundee, and the "response and help which it received from the local authorities." (31) It had further been attracted by the greenfield site and the very acceptable environment. (32) The capital investment of the company in Britain in 1985 amounted to £29 million. (33) This compares with a little over £20 million capital invested by Maxell at Telford in 1983. The company stated "HP continue to be actively involved with the community in the UK during 1985 both as a local citizen and as a contributor to a number of issues of national interest." (34) It further stated that "The company's primary business objective is satisfying its customers' requirements for business solutions to business problems." (35) It prided itself on having created a relationship of confidence and trust between customers and company, and emphasised its support service to customers.

It appeared very sensitive about its relationship to the local community. "Its employees have tried to ensure that the communities in which it operates have benefitted from HP presence," (36) and had also been careful to foster links with polytechnics and universities. As part of its interest in employee involvement, Hewlett Packard published newsletters, convened meetings to ensure that the labour force remained informed on matters of concern to them as employees and on the financial performance of the company, and distributed to all employees a copy of the annual financial report.

Explaining their company philosophy, Hewlett Packard said, "We know that the phrase people are our most important asset is one of the most overworked cliches to appear in graduate brochures. We also know that HP is distinguished by practising what we preach. Our working philosophy is a straightforward statement of working principles based on the importance of the individual. We call this simply, the HP way. What it means to you is that we will respect your individual talents...." (37) As part of its marketing philosophy, company effort was almost always directed towards "profitable markets with high growth potential". (38) The company made a point of funding new products out of operating profits so that it could claim all capital investment and growth was self financed. It was therefore free of long term borrowing commitments. This practice is very similar to that adopted by large Japanese conglomerates. (39) Furthermore, Hewlett Packard also claimed that the programme of

sustained reinvestment and growth meant that they had been able to introduce and stand by a policy of no redundancies, which was also very similar to the Japanese lifetime employment claim.

Two themes continually repeated in company literature were the claim that they placed great emphasis on after sales service, and that the company focused on worldwide marketing and exporting which, in turn, created opportunities for people to work overseas. An effort had been made to create a relaxed and open style of management in which everyone from the President of the company downwards was on first name terms. In their leaflet for graduates the company also said "There is no 9 to 5 mentality, and you are as likely to find people keenly discussing the latest HP product development in the bar, as thrashing out the day's tensions on the squash court!" (40) When recruiting graduates the company looked for people with degrees in a number of specialised engineering fields. It also accepted a relatively large number of graduates with a more general background and was prepared to train these, particularly in areas of marketing, sales, personnel and business administration.

The "HP way" included open plan offices, first name terms, management by wandering round, setting objectives for the job and executing those objectives by the individual's own methods and ideas. An employee was quoted as saying "My impression of HP was that it employed industrious people who, whilst working hard, are able to do so within a relatively relaxed atmosphere. HP comes over as a company that treats you as a responsible adult." (41) Senior management made a point of mingling freely and talking to people on the production line. While birthdays as such were not marked, at five, ten, fifteen and twenty year periods the employee's anniversary with the company was marked with a gift of shares. In 1986 Hewlett Packard was a public limited company quoted on the Wall Street Stock Exchange and there was an intention in the near future to have the company's stocks and shares quoted on the London Stock Exchange. Every day the company's share prices were published both in dollars and pounds sterling on the notice board in the factory.

There was a substantial in-house training programme under the aegis of a training manager. People were trained at every level and an attempt was also made to build in statistical skills, data collection,

data analysis and the use of cause and effect diagrams. Manufacturing, recruitment, salaries, administration, production and virtually every other facet of the company's operations were referred to as "processes". There was a continuous attempt to measure the performance of these processes, involving frequent departmental meetings. At one time there were twelve quality circles in the South Queensferry factory. Currently only two were operating. The Human Resources Manager said the company had "now moved on from quality circles" because they were voluntary by nature and employee led. The new policy claimed to involve everyone in the company but in order to eliminate the possibility of people "going off in all sorts of different directions" the new discussion groups were overtly supervisor led. An attempt had been made to structure them so that the participants could be seen to be moving together in the one direction. Key goals were set at the top and each level below instructed to ask itself the question, what ought our objectives to be in order to meet the agreed goals set at the levels above us? The weakness of quality circles, as far as Hewlett Packard was concerned was that they were employee driven and focused on problems which the employee perceived to be an issue. There were times when it was felt these issues were not the ones which contributed necessarily to the greater good of the organisation. While making the situation better in one particular area, sometimes the problem was simply being shifted from one area to another, or indeed was even creating new problems in some other section. Nevertheless, it was admitted that quality circles did throw up a number of good projects, some of which had saved the company money and some which cost money.

Information on sales turnover, production targets, plant performance and profitability was available to everyone on a quarterly basis. Supervisors met once a month to discuss these issues and were expected to pass on any relevant information to the labour force.

30% of the employees at South Queensferry were women and all employees practiced self evaluation in conjunction with a supervisor. It was believed that if left entirely to himself, the individual would be hypercritical of his performance.

The company tended to be managed by engineers who were alleged to be promoted on the basis of merit, technical skills and skill in managing people. The company pursued a "just in time" philosophy with respect to

the supply of parts, thereby minimising stocks held on site. Sub-contractors and suppliers were cultivated as much as possible and a relationship built up with them over time.

Projects were developed and planned on a three year cycle. One of the overall objectives at South Queensferry in 1986 was to reduce the three year development cycle period to eighteen months. Future planning was conducted at divisional level, i.e. at South Queensferry, and also at production and research and development level.

The company was convinced that a company philosophy which tended to remain static was valuable for maintaining consistency in decision making. The philosophy was also a source of general parameters when it came to making decisions. There were a number of product areas which the company claimed it simply would not enter because it believed it would be difficult to continue to adhere to the company philosophy. For example, the product market might be so volatile that they would be hiring and firing labour on short term contracts. The philosophy also operated in the finance area, with growth being financed from profits earned rather than money borrowed. Thus the philosophy was said to be a discipline imposed by the company on itself.

Hewlett Packard said it tried to maintain an organisational framework for its objectives. "The achievements of an organisation are the result of the combined efforts of each individual in the organisation working toward common objectives. These objectives should be realistic, should be clearly understood by everyone in the organisation, and should reflect the organisation's basic character and personality." (42) The company's statement concerning corporate objectives went on to say that there were three basic requirements. The first of these was that there should be adequate opportunities for training and education, and the activities of the company should be engaged in with "enthusiasm", so that others were also enthused with the possibilities of meeting the objectives. In other words, the company was looking for high levels of commitment emotionally as well as intellectually. The company stressed the importance of business ethics and said that honesty and integrity should be hallmarks of the way in which people conduct themselves. The statement alleged that success in the end of the day depended not only on individual commitment but on a degree of unison in working toward common objectives. To this end, a

military type organisation had been avoided. Instead, a relaxed atmosphere was promoted in which it was claimed people could be enthusiastic and committed. (43)

In the subsequent list of objectives, the first was stated to be profit, which would indicate that the company was taking seriously its injunction to adhere to honesty and integrity. The second objective was products and services of such a quality that they would win and hold the respect and loyalty of customers and the third was growth. Their business area of interest was set within a growing segment of technological society and company growth was thought to be necessary to attract and hold high calibre personnel. The company believed such people would only remain if they saw some opportunity for career development in a growing enterprise.

Hewlett Packard claimed to believe in the importance of good human relations. "Relationships within the company depend upon a spirit of co-operation among individuals and groups, and an attitude of trust and understanding on the part of managers towards their people. These relationships will be good only if employees have faith in the motives and integrity of their peers, supervisors and the company itself." (44) High trust relations were therefore prized and job security was seen as a major contributor towards this end.

A further objective of company policy was to enable people to share in "the company's success". (45) It was claimed that this was reflected in company pay policy. "Management by objectives" was also a key concept. It was understood in terms of self assessment within agreed objectives and also in terms of corporate goals and policies. It was said "Management by objective, as opposed to management by directive offers opportunity for individual freedom and contribution; it also imposes an obligation for everyone to exercise initiative and enthusiasm." (46)

The company appeared to have characteristics similar to the Japanese conglomerates being essentially decentralised but at the same time one single company. The importance of maintaining good relationships and some interaction between separate parts of the company was valued. As with Maxell at Telford, relationships with the external community were said to be important to the company. "All of us should strive to improve the environment in which we live. As a corporation operating in different communities throughout the world, we must make sure that each

of these communities is better for our presence. This means identifying our interests with those of the community; it means applying the highest standards of honesty and integrity to all our relationships with individuals and groups; it means enhancing and protecting the physical environment, building attractive plants and offices of which the community can be proud; it means contributing talent, time and financial support to worthwhile community projects". (47)

Burroughs Machines Ltd.

Burroughs, which first came to the United Kingdom in 1895, opened a new factory in Livingston in Midlothian in 1979 to manufacture a range of document processing systems. In 1986 they were employing 700 permanent workers and 300 temporary workers in manufacture, design and development. Some of these had formerly been employed at the Burroughs factory at Cumbernauld, where a range of mechanical business machines had been made for many years. The labour force at the Cumbernauld factory was completely unionised, but unions were not recognised at Livingston. Some production workers had had previous skill training, for example, in motor mechanics and in production engineering. It was a reflection of the state of the local labour market that, financially, skilled people were better off engaged in assembly work at Burroughs. For many, the alternative was unemployment (48) and this may have given Burroughs access to an unexpectedly high quality labour force.

The main company objective and their individualistic view of people was set out in the company handbook. "Your contribution is essential in order to continue the corporation's high level of success and to help achieve the corporation's objective which is to maximise the use of technology, to solve human problems within the information technology industry. At the same time it is the corporation's hope that you will be able to fulfil your own personal goals and ambitions while working at Burroughs at the Livingston facility. We are confident your employment with Burroughs will be a satisfying, rewarding and challenging experience" (49) The company followed this with a fairly lengthy "statement of human resources philosophy". It claimed that its philosophy was based on two principles, the people oriented nature of the

business and the emphasis on "resolute commitment to excellence" (50) They were looking not only for excellence, but for "extraordinary accomplishment" (51) from their employees. It was said that these two emphases placed a number of obligations and responsibilities on both the company and the individual employee. In fulfilling its obligations and responsibilities the company stated that it would at all times try "to treat employees with respect, dignity and concern for their rights, freedoms and individual needs, to recruit, select and appoint the most qualified people available, on the basis of demonstrated ability, experience and training, to provide training and development opportunities through which employees can upgrade their job skills, improve their potential for advancement, and enhance their personal development, to place employees in assignments that make the best use of their abilities, that take into account individual performance, experience and interests, and that are part of a career path to greater responsibility and fulfilment, to provide a working environment that is challenging, stimulating and rewarding, and which encourages employees to long term careers with the company, to inform employees what is expected of them in their jobs, including regular evaluations and reviews of their performance, to apply all personnel policies and programmes in a fair, uniform and consistent manner, to provide employees with compensation and benefits that are competitive with those offered by other companies in the industry and the countries within which we operate, to give insight into the direction of the company's business, timely reports on its progress, and the opportunity to express their views and ideas on how the company might improve its products, services and operations." (52) The obligations and responsibilities from the employee were stated as follows. "To act with honesty, integrity and professionalism in accordance with the corporation's high standard of ethical conduct and to comply with all the laws that affect us, to respect the rules and policies of the corporation and the rights of other employees, to know and accept the goals of the corporation and contribute fully to their attainment, to assume primary responsibility for his or her own professional development and to pursue additional training and education as appropriate, both inside and outside the corporation, to encourage individual initiative, creativity and the courage to be innovative in the best interests of the corporation, to

strive for superior job performance characterised by maximum effort and a personal commitment to quality in all activities of the business." (53)

At all levels of the company an attempt was made to evaluate and improve policies and practices involving as many of the employees as possible. For the first few years of the factory's operation there had been monthly meetings of all workers in each section. Over time, almost all of these meetings had withered away. One continued as a result of vigorous representation from employees in a particular section. With the demise of the monthly meetings there appeared to be a growing dissatisfaction with the quality of information employees were receiving concerning the company's performance and expectations. There were also few outlets for a sense of grievance, other than speaking with colleagues. The Human Resources Manager said he was aware of this and would be reintroducing a system of consultative meetings "in the near future".

The Personnel Department was known as the "Corporate Human Resources Staff". This was probably more than a change of name and implied a different role for "personnel". Besides being knowledgeable in industrial relations theory and practice and understanding and coping with traditional conflicts of interest especially with respect to trade unions, the new HR function implied a more flexible labour force, few, if any unions recognised, and a greater role for line management in more traditional personnel areas. Officially the HR function was the integration of the human resources policies with the business plans of the company. At the end of the "statement of Human Resources Philosophy" the company said "ultimately, the responsibility rests with individuals - with the relationship each manager has with every employee under his or her supervision, and with the fair and consistent application of all policies, procedures and practices". (54)

An earlier statement of human resources philosophy, which was still in circulation in 1981, added to the list of obligations and responsibilities for the company, the claim that all personnel policies and programmes would be applied in a fair and consistent manner "While recognising the need to develop special programmes to improve employment opportunities for minorities, females and other groups - which historically have had less opportunity." (55) Burroughs' elimination of

the above statement probably stemmed from the slack nature of the labour market.

In the employee's handbook there was much emphasis on the centrality of quality. Quality was said to be an "open secret" and "an attitude of mind". The company also hoped that quality would become "a way of life". (56)

Burroughs emphasised the need for communications and claimed to be operating an open door policy which gave access for every employee to his or her immediate manager or supervisor. An employee suggestion scheme, with financial rewards, was also in operation.

There was no clocking in or clocking off at the Livingston factory, but employees arriving for work more than five minutes late were asked to log their time of arrival in a book reserved for that purpose at the main entrance.

For "key staff employees" there was an individual reviewing system of job performance measured annually against pre-determined objectives and goals. The review system was called the "performance planning and evaluation system" (57) and was a key factor in career development, as an annual rating of performance was given to each employee. The achievement award programme could have led to financial gain for employees for a number of reasons, for example, making significant contributions towards achieving company objectives, performing on the job in a way which is considered to be outstanding, improving existing products or inventing products and procedures of particular usefulness to the company. The awards were also based on "individual achievement" and were designed to encourage employee participation.

The employee handbook gave details of the disciplinary and grievance procedures. In a situation of failure to agree, the decision of the General Manager was binding on all parties concerned. By encouraging employees to take their grievances to their immediate supervisor and, failing satisfaction at that level, to the manager next in line above the supervisor, the company encouraged line management to engage in traditional personnel work. Only at a point of failure to agree at managerial level was an issue referred to the Human Resources Department.

There was much in-house training for operators and the company also encouraged educational programmes in technical colleges and universities

by meeting some of the expenses involved and by giving time off from work, while many non production employees had spent a period of training and skills updating at the parent plant in Detroit, Michigan. The company was said to be very much oriented to paper qualifications. There was wide recognition amongst employees that career development was virtually open to everyone, whether or not they had served a formal apprenticeship but it was said to be strictly on the basis of "paper qualifications and merit." The company was generous in granting time off for further education provided steady annual progress was being made by each candidate.

Burroughs had just bought over the Sperry Co., making the new enterprise the second biggest computer manufacturer in the world after IBM. By 1988, the name of the new combined company had been changed to Unisys. This buyover had engendered some feelings of insecurity in the labour force. People who spoke of it at Livingston indicated that they were not sure if Sperry's also made document processing systems, fearing that there would be some rationalising of manufacturing capacity which would place a possible question mark over the future of the Livingston plant. A second cause of concern was the state of the product market. Demand for document processing systems was apparently erratic. Requests for new units were said to lack a sense of continuity, with the result that the production process tended to be "jerked about" to use the phrase of the Human Resources Manager.

Blue and white collar workers at the Livingston site worked from 8am to 4.30 pm although during particularly busy periods some people were asked to work twilight hours and even night shift hours. The labour force was divided into two categories, weekly paid and monthly paid, which was alleged by the Human Resources department to be the only basis of difference between the two sets of people. Unlike Hewlett Packard, the ratio of line operators to supervisory and management grades was almost as high as in the two Japanese and the two British factories. Unlike the Japanese, there appeared to be no attempt to induce competition between production teams. Lines were under the control of a supervisor who reported to the production manager. A large number of graduates were employed because of continuing R&D and design functions on site. Production was essentially the assembly of parts and sub-assemblies bought in from outside suppliers, with an

electronically controlled stores system operated on a "just in time " principle.

There were some signs of single status practice on site. The factory was almost entirely, but not exclusively open plan, there being only one canteen and a large day room for all employees. There was some reserved car parking for members of the senior management team and for visitors, and there were many traditionally enclosed offices including those of the Human Resources department. The plant was not air conditioned, but kept to a very high standard of cleanliness, with much emphasis on minimising the effects of static. Finally, the factory at Livingston was a "cost" centre and not a "profit" centre, selling its production to a marketing division of Burroughs.

The Interviewees

These were the people who, unlike those at GEC and Lemac, had been exposed to foreign management and control and a work environment provided by a foreign company. Like their counterparts at GEC and Lemac they shared a similar cultural background compared to, say, that of the United States of America and of Japan.

Tables 22 to 26 illustrate this by giving the salient features of those interviewed in Maxell, Brother, Hewlett Packard and Burroughs factories. They were as reasonable a cross section of the labour force as the personnel departments were prepared to release from work for interview. Each interview lasted between 20 and 30 minutes.

TABLE 22

Company & Ref No	Job Description	App Age	Sex	Years with Company	%age of work life with co	Church Member	Educ Quals	Parents Jobs	Comments
<u>Maxell</u>									
1	Technician	27	M	1.5	15	Y	'O' grades		
2	Assembler	24	F	2	19	N	None		
3	Finisher	43	F	1	5	Y	None		
4	Section Leader	26	M	1	13	N	None		
5	Quality Controller	32	F	2	11	N	None		
6	Technician	22	M	2	40	N	ONC		
7	Section Leader	27	M	1.5	12	N	'O' grades		
8	Finisher	37	F	2	8	N	None		
9	Technician	29	M	1.5	11	N	C & G		
10	Packer	26	F	2	17	N	None		
11	Storeman	29	M	1.5	11	N	None		
12	Clerk	26	F	2	20	Y	'O' grades		
13	Loader	26	F	1.5	15	N	None		
14	Technician	23	M	2	28	N	HNC		
15	Secretary	48	F	2	6	Y	None		
16	Personnel Manager	37	M	2.5		N	HNC		
17	Production Manager	36	M	2	10	N	BSC		

TABLE 23

Company & Ref No	Job Description	App Age	Sex	Years with Company	%age of work life with co	Church Member	Educ Quails	Parents Jobs	Comments
<u>Brother</u>									
1	Personnel & Production Manager	38	M	2.5		N	BSc		
2	Supervisor	30	F	1	5	Y	'0' grades		
3	Group Leader	17	F	0.5	100	N	None		
4	Operator	17	M	1	100	N	None		
5	Repairer	19	F	1	22	N	None		
6	Supervisor	31	M	1	5	N	None		
7	Clerk	20	M	1	21	Y	'0' grades		
8	Computer Operator	18	M	2	29	N	'0' grades		
9	Clerk	29	F	1	5	Y	'0' grades		
10	Supervisor	32	M	1.5	9	Y	ONC	F Council wkr M Housewife	
11	Supervisor	27	M	1.5	14	N	None	F Steel worker M Housewife	
12	Line leader	18	M	1.5	100	N	'0' grades	F Pollution Insp M Secretary	
13	Floater	18	F	1	50	N	'0' grades	F Unemployed Painter & Dec M Housewife	
14	Clerk	18	M	1.5	75	N	'0' grade	F Check manager M Line worker	
15	Operator	18	F	1	50	N	'0' grades	F Computer eng M Secretary	

TABLE 24

Company & Ref No	Description	Age	Sex	Company	with co	Member	Quals	Jobs
<u>Brother (contd)</u>	16 Inspector	20	F	1.5	37	N	None	F Lorry Driver M Housewife
	17 Line leader	18	M	0.5	33	N	None	F Unemployed tyre fitter M Unemployed
	18 Line leader	18	F	0.5	25	Y	'O' grades	F Manager M Cook
<u>Hewlett Packard</u>	1 Researcher	26	M	6	100	Y	MSC	F Tailor M U/K
	2 Clerk	41	M	2.5	10	Y	None	F Labourer M Housewife
	3 Safety Officer	59	M	20	47	Y	None	F Commercial Traveller M, Clerk
	4 Supervisor	30	M	14	100	N	HND	F Ship's Carpenter M Bookbinder
	5 Supervisor	50	F	20	59	N	None	F Carpenter M Housewife
	6 R & D Engineer	24	M	2	100	Y	BEng	F Driver M Housewife
	7 Test Engineer	29	M	5.5	42	N	HND	F Instructor M House Mother
	8 Assembler	19	F	1.5	60	Y	'O' grades	

TABLE 25

Ref No.	Company	with co	MEMBER	QUALS	JOB
Hewlett Packard (cont'd)					
9	1.5	75	N	C & G	F Miner M Seamstress
10	11	44	Y	HNC	F Crane driver M Waitress
11	17	57	Y	HND	
12	13	100	Y	BSC	F Mining eng M Secretary
13	2	13	N	BSC	
14	20	50	N	HNC	F Welder M Housewife
15					
Burroughs					
1	2	17	N	None	F Moulder M Housewife
2	3	66	N	'Highers'	F Clerk of works M Secretary
3	1	7	N	None	F Security guard M Housewife
4	6	43	N	None	F Line operator M Secretary
5	2	10	N	None	F Miner M Hospital wkr
6	2	20	Y	None	F Storeman M Housewife

TABLE 26

Company & Ref No	Job Description	App Age	Sex	Years with Company	%age of work life with co	Church Member	Educ Quals	Parents Jobs	Comments
Burrroughs (cont'd) 7	Operator	43	F	1	10	Y	None	F Labourer M Housewife	
8	Receptionist	23	F	5	71	N	'O' grades	F Surveyor M Housewife	
9	Inspector	33	F	3	18	N	None	F Erector M Clerk	
10	Assembler	40	M	1	4	N	None	F Miner M Cook	
11	Assembler	28	M	4	33	N	C & G	F Wages clerk M Machinist	Formerly motor mech
12	Inspector	44	F	6	21	Y	None	F Miner M Housewife	
13	Assembler	19	M	2	67	N	'O' grades	F Shopkeeper M Factory wkr	
14	Computer Operator	25	F	4.5	50	N	None	F Miner M Factory wkr	
15	Secretary	34	F	2	11	Y	'O' grades	F Barman M Housewife	
16	Technician	34	M	6	33	N	None	F Foreman M Shop asst	
17	Technician	39	M	2	9	Y	None	F Fitter M Housewife	
18	Industrial eng	28	M	1	8	N	HND	F Mechanic M Operator	
19	Supervisor	43	M	6	31	Y	C & G	F Builder M Housewife	
20	Personnel Manager	35	M			N	BA		

Conditions of Work at the Four Plants.

What type of work environment do the Japanese and American companies provide for employees? Tables 27 to 36 should go some way to answering that type of question at the factual level. As in the case of GEC and Lemac, the same interview schedule was put to personnel managers at the four foreign owned factories to solicit the facts of the working environment.

The more difficult question as to how much of the working environment was culturally conditioned is left to subsequent chapters. Meanwhile tables 27 to 36 give a comparative picture of the range of working conditions at the four plants.

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
Is there a canteen?	*Y	Y	Y	Y
Is it: company run sub-contracted	Y	Y	Y	Y
Is it: subsidised non-subsidised	Y		Y	Y
Are rest rooms provided?	Area of canteen	Y	Y	Coffee Lounge
What sports and social facilities are provided, if any?	None	Social Club	Clubs + deal with Herriot Watt University	Variety of Clubs
Does the company mark birthdays, anniversaries etc?	Y	N	N	N
Are bonuses paid?	N	N	Y	Y
If so, on what basis and how frequently?			Profit sharing	Also Plant Target Bonus puts 5-7% on wages Y : And Life Assurance Scheme
Is there a superannuation scheme?	Y	N	Y	Y
Is it: contributory non-contributory	Y	Y	Y	Life Assurance
Is there a welfare fund or its equivalent?	N	N	N	Y
Are shares provided?	N	N	Stock Purchase Plan	Stock Purchase Plan up to 10% of salary
Is there a savings and/or loans scheme operating?	N	N	N	Y
Is there a company: doctor nurse welfare officer chaplain	Y N N N	Y N N N	Y Y N N	Y N N N
Is there an ambulance room?	Y	Y	Y	Y
Is the cost of travel to work met by the company?	N	N	N	N
Are there tea and/or coffee-making facilities?	Y	N	Y	Y
What is the percentage spent on welfare provision, as a proportion of total labour costs?			40%	

PARTICIPATION AND CONSULTATION	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
Is there a joint consultative meeting between management and representatives of the labour force?	Members' Council	N	N	Y
How are the representatives selected: ballot personal invitation	Y			All employees invited
How often does it meet: monthly every 2 months	Y			Y
Who chairs the meetings: alternates manager	Y			Y
What items may be discussed: all or any non-finance only	Y			Y
What items may not be discussed: Individual salaries	Individual salaries			
Are there opportunities for informal meetings between, say: engineering/design staff supervisors shop-floor employees	Y Y Y	N Y Y	Y Y Y	N N N
What form can these take: structured informal	Y	Weekly meetings of line workers	Y	'Open Door' Policy
Is there plant-level bargaining over wages and conditions?	N	N	N	N
Is there a works council?	Y	N	N	N
Are there quality circles? How many How often do they meet How many participants Do they meet: in working hours out of working hours	N	N	Y	N Quality meetings + Quality Council
Are you consulted about decisions that affect your work life?	Y	Y	Y	Y
Are you given information about: sales turnover production targets plant performance profitability	Y Y Y Y Y	Y Y Y Y Y	Y Y Y Y Y	Y Y Y Y Y
Do you employ a system of: job evaluation self-evaluation	N N	N N	Y Y	Y N

<u>SICK PAY SCHEME</u>		MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
How many days off are you allowed on full pay with a doctor's certificate:	none			No certificates are asked for	
	up to 15 less than 15	Y	Y	6 months	
How many days off are allowed on 2/3 pay:	none		None		None
	up to 15 more than 15	Y		1 year	
How many days off are allowed before the job position is reviewed:	less than 2 months more than 2 months	Nothing fixed			Y
How many days off are allowed before dismissal:	nothing fixed less than 6 months more than 6 months	Y	Y	Y	Y
<u>EARNING CURVE</u>					
How does pay vary with service for shop floor workers:	nothing fixed			Element Curves Used	
	annual increments increase with age	Y	Y		Y
How does pay vary with service for managers:	increase with age no increase	N	Y	Element Curves Used	Increases with Merit

TABLE 30

MISCELLANEOUS	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
How many hours were lost due to disputes in 1983-84:	Y	Y	Y	Y
None				
40				
60				
80				
100				
What sort of quit rate does the company have?	8%		5%	9%
e.g. average length of employment with company - for managers			Most life-time	
e.g. average length of employment with company - for shop floor workers				
What is the daily absentee rate as a percentage of the labour force?	4%		3.5%	4.5%
What percentage of the labour force is, daily, five minutes late?	1.5%			
What percentage of the labour force is, daily, more than five minutes late?	1.5%			

TABLE 31

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
<u>INDUSTRIAL CLOTHING</u>				
Is industrial clothing provided?	Y	Y	If needed	Y
Is it: uniform for all different for different grades	Y	Y	Y	N
Do all employees wear industrial clothing?	Y	Y	N	N
If not, where is the line drawn?				
<u>COMMONALITY OF FACILITIES</u>				
Are canteens used by everyone or are there separate dining rooms for different grades?	Common	Common	Common	Common
Are toilets used by everyone (except on basis of sex) or are there separate toilets for different grades?	Common	Common	Common	Common
Are car parks open to all or are some spaces reserved for certain employees?	Common	Common	Some reserved spaces	Common
Is office accommodation open-plan?	Y	Y	Y	N
Is shop floor environment the same for all?	Y	Y	Y	Y
What variations are there and why?				
<u>RETIREMENT</u>				
At what age are employees compulsorily retired:				
Managers	Y	Y	Y	Y
Shop floor workers	Y	Y	Y	Y
				Women 60

TABLE 32

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
<u>DIFFERENTIALS</u>				
How many times greater is the highest wage paid compared with the lowest: 1 - 2 2 - 3 3 - 10 more than 10	2.5	15	7	8
Are fringe benefits provided for managers?	Cars	Cars Private Health	N	Cars
Are fringe benefits provided for supervisors?	N	N	N	Private Health
Are fringe benefits provided for shop floor employees?	N	N	N	Private Health
<u>MANAGEMENT SHOP FLOOR EXPERIENCE</u>				
Do trainee managers spend time on the shop floor?		Y	Y	N
How much time?		(2 months)		
Have most managers begun as genuine shop floor workers?	N	N	N	N
<u>MANAGEMENT PRESENCE ON SHOP FLOOR</u>				
Do senior managers appear daily on the shop floor?	N	N	Y	N
Do middle managers appear daily on the shop floor?	Y	Y	Y	Y
<u>MANAGEMENT EDUCATION</u>				
Are managers recruited with a general or specific educational background:				
general	Y	Y	Y	Y
specific				
Is there in-company training for managers?	Y	N	Y	Y
How many managers have received an education that is:				
private	None	None	None	Some
public				
<u>MANAGEMENT SOCIAL BACKGROUND</u>				
Are managers promoted on the basis of:				
merit	Y	Y	Y	Y
length of service	Y			
educational qualifications				
Do career opportunities exist for managers with the company?	N	Y	Y	Y

TABLE 33

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
<u>UNION DENSITY</u> How many trade unions and staff associations are there in the factory: one three five over six				
What proportion of the total labour force are members of a trade union or staff association: 100% 50-90% 20-50%				
<u>BRANCH ATTENDANCE</u> What proportion of the membership attend branch meetings: 1-5% 6-20% more than 20%				
<u>NUMBER OF CANDIDATES</u> How many candidates stand for offices in the trade union or staff association?				
<u>UNION FACILITIES</u> Are union facilities (use of office, 'phone etc): excellent very good good non-existent				
What unions are recognised for the purposes of negotiating and bargaining?				
What are the parameters for time off work for union duties?				
Are membership meetings allowed on site?				
Are they held: during working hours with loss of wages during working hours with no loss of wages out of hours				
<u>LEVEL OF WAGE BARGAINING</u> Is wage bargaining conducted at: national level industry level company level factory level sub-factory level				

RECOGNISED
NAT
STRIKING

TABLE 34

UNION CO-OPERATION	None	None	None	None	None
How many unions are represented on site?	None	None	None	None	None
How many unions are recognised for consultation/bargaining?	None	None	None	None	None
Has the union withdrawn from the consultation machinery in the last 5 years?					
How often?					
Is the union consulted over the following issues: redundancies production methods production targets manpower levels manpower deployment changes in plant layout acquisition of new plant profitability					
On how many occasions in the past 5 years have the unions tried to resist changes introduced by management?					
What were some of these issues?					
On how many occasions in the past 5 years has the union made proposals for change?					
Is there a role for the union in management decision making?					
In what areas?					
What is the union policy regarding: absenteeism poor timekeeping discipline poor work performance hiring and firing quality circles suggestion schemes bonuses profit sharing					
How many occasions of industrial unrest have there been in the last 2 years?					
Is/are the trade union(s): go slow work to rule strike overtime ban safety campaign other					
Is/are the trade union(s): very co-operative co-operative obstructive very obstructive					

UNION NOT RECOGNISED

TABLE 35

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
<u>INDIVIDUAL EFFORT AND INDIVIDUAL WAGE</u>				
Are wage levels secret?	Y	Y	Y	N
Is there a bonus system?	N	N	N	N
Is there a piece-work system?	N	N	N	N
Is there a PBR system?	N	N	N	N
Are there other ways in which individual effort is rewarded?	Reflected in salary review	N	N	N
<u>DEMARICATION</u>				
Is there any job demarcation:	N	N	Some	N
	no			
	some			
	yes			

TABLE 36

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS
<u>NATURE OF THE PRODUCT</u>				
Could the end product of the factory be described as:				
very socially useful				
quite socially useful			Y	
socially useful	Y	Y		Y
not socially useful				
<u>INTRA-FIRM COMMUNICATIONS</u>				
Are there notice-boards?	Y	Y	Y	Y
Are there news sheets?	Quarterly Newspapers	N	Y	Y
Are there workforce meetings and, if so, how often?	N	N	Y	Y
Are workforce meetings at:				
factory level				
departmental level			Y	Y Monthly
Are there other forms of intra-firm communications?	N	N	Videos Talk Ins	N
<u>STATUS GRADATIONS</u>				
How many people have a company title, as a percentage of the total labour force:				
80%		33%		
40%	14%		20%	20%
20%				
How many gradations are there:				
10	4	8	13	5
5				
3				
2	for 150 people	for 315 people	for 1050 people	for 950 people

Comparison of Work Environments.

In terms of canteens and rest rooms, all four factories provided almost identical facilities. These facilities, together with car parking and toilets, were all single status. The longer established American factories had a wider range of sports and social facilities. Both had extended choices by entering into agreements with outside organisations, Heriot Watt University in the case of Hewlett Packard and Livingston Development Corporation in the case of Burroughs.

Only Hewlett Packard employed a nurse and this could well have been a function of its greater size compared to the other three factories. Only Maxell practiced the Japanese custom of marking employee birthdays.

No bonuses of any kind were paid by the Japanese companies, whereas the American companies operated a profit sharing/plant bonus type scheme that accounted for a small percentage (5 to 7%) of wages. While all four either had a superannuation scheme in place or were intending soon to institute one (Brother Industries), only Hewlett Packard's was non contributory. Burroughs had a contributory life assurance scheme. In this respect the the American companies seemed to be offering better working conditions than the Japanese companies. Only Burroughs claimed to have either a welfare fund or a savings and loans scheme, both of which were present in Hitachi in Japan.

Both American companies had a stock issue plan, which allowed employees to purchase company shares at favourable rates, up to a percentage of salary (10% at Burroughs). At Maxell and Brother there was no mention of any plans to enter this area of employee participation.

Experience in Japan suggests that overtly little emphasis is placed on the investment and returns sector of company existence compared to management and labour force input and return in the form of salary, wages and other benefits. The emphasis on "family" in the company is bound to be accompanied by cultural perceptions of the family. Culturally, the financial dimension of family life seems seldom to be in the forefront of "members'" concern in Britain. In this regard there appears to be no evidence to suggest that practice in Japan is any different. It is therefore possible to emphasise the "familial" character of work life without much reference to stockholding and

investment. This appears to accord with Japanese practice. The Americans appear to approach this issue from a very different point of view, seeing it in terms of employee participation and employee incorporation into the company, with the hope that these will lead to greater levels of commitment at the workplace. In practice, the analysis of employee participation structures and procedures in the four factories is complicated. One American factory (Burroughs) and one Japanese factory (Maxell) had a works council or its equivalent. None existed at either Brother or Hewlett Packard. Hewlett Packard, however, claimed to be organised in such a way that continuous dialogue took place throughout the factory at every level, reinforced or stimulated by the practice of management by "wandering about".

The operation of the Works Council in the Japanese factory (Maxell) differed from that of Burroughs in two important respects. Firstly, Burroughs Works Council was open for attendance to all employees, although, in practice, only a proportion attended. At Maxell, representatives were elected from the various works sections within the plant. Secondly, at Burroughs all items including wages could be discussed. At Maxell wages were regarded as a private matter between the individual and the employer. Despite these differences, significantly fewer people at Burroughs were satisfied with the flow of information compared with interviewees at Maxell (see Table 38). One reason for this might have been the lack of opportunities for ad hoc informal meetings between key people and work groups that was the norm, not only at Maxell but also at Hewlett Packard and Brother. In other words, Burroughs had put all their concern for participation and consultation into one concept, the "open door" to all employees to meet monthly with management. Other forms of intra firm communication were largely confined to the use of notice boards, with Hewlett Packard having the best record of the four of maximising intra firm communications (Table 36). On technical matters, eg. product design and manufacture, there was evidence at Burroughs, of a Japanese style pursuit of communication via written propositions prepared for circulation amongst senior staff.

The differences of practice in the operation of Works Councils illustrated deep divisions of perception of the labour force, its need to know, and its right to share in management decisions. They also illustrated differences of management styles. Burroughs gave the

impression that a previously firm management style had been allowed to degenerate into a more laissez faire mode. The open-ended invitation to attend Works Council meetings rather than a tight system of worker representatives was an illustration of this. The withering away of departmental labour force meetings at Burroughs was a further illustration.

Perhaps more importantly, Maxell gave the impression of a genuine desire to keep the labour force informed of production progress and marketing success, not as an end in itself, but to stimulate the sense of competition between the factory and its competitors in order to maximise quality and output. In other words, it seemed to be part of a total coherent approach to factory organisation that embraced every aspect of life in the factory. The absence of discussion on wages was part of this overall strategy. While secrecy had been breached, as already noticed, there was clearly no desire to depart from the practice of avoiding the emergence of labour force sections based on pay which would fragment the total labour force and destroy the concept of members of a family.

None of the four factories was engaged in collective bargaining over wages at any level. Wages were set by the company and effectually "negotiated" with the individual, as might normally be the practice between a company and its senior staff. Only Hewlett Packard employed a fairly sophisticated system of "element curves" whereby wage rates could vary between a maximum and a minimum depending on performance over the preceeding year.

While wage differentials in Japan may have been widening in recent years, Dore and others observed they were much closer than those in Britain. (58) The four factories in the present study gave a spread of results for differentials. Differentials at Maxell were exceptionally low, whereas those at Brother were relatively wide, with Hewlett Packard and Brother coming between (Table 32). At none of the four factories was there evidence, even from personnel managers, that employees were aware of this issue.

Wage levels were ostensibly secret at all but Burroughs, where rates for grades were generally known. At Maxell the policy of secrecy had broken down and indigenous cultural attitudes in this regard seemed to have prevailed. None of the four had any type of payment by results

system. High levels of overtime were being worked in all four factories, so that no one interviewed complained of a lack of incentive schemes.

Only the two longer established American plants had systems of job and self evaluation. By and large, Hewlett Packard treated the sick employee marginally better than the other three, but all four claimed to have a generous view in the event of ill health.

In the area of disputes, quit rates and daily absentee rates (Table 30), all four plants appeared to perform in an almost identical way. Hewlett Packard may be singled out on the grounds that it had a very low quit rate and employees seemed to regard the company as a lifetime employer.

Maxell, Brother and Hewlett Packard all practiced a fairly thoroughgoing single status approach to facilities. Burroughs' practice in this regard was not so comprehensive. Office accommodation was not open plan and status differences were apparent in different colours of workwear. In this area the Japanese companies saw themselves pursuing a policy common in Japan and amongst some large American companies. They had therefore completely ignored traditional British practice in regard to facilities for employees and the new policy seemed to have been widely accepted.

The recruitment and employment of managers seemed to indicate commonality of practice throughout the four factories, with virtually no specific Japanese input at Maxell or Brother. Most had entered industry with a specific qualification and gone on to specific training. While middle managers were frequently on the shop floor, only at Hewlett Packard was it alleged that senior managers also engaged in this practice. British managers at Maxell admitted there was, at the moment, no prospect of advancement within the company. Only if the company made further investment in Britain was it felt more senior positions might become available for British nationals. Personnel managers at Hewlett Packard and Brother said trainee managers spent time on the shop floor. The question was too premature for Maxell, not having any trainee managers by 1985. It was felt that if they did, they would be asked to spend some time on the shop floor.

While unions were not recognised in any of the four factories, at both Maxell and Brother the Japanese management showed signs of wanting to be recognised at least one union. At Maxell the Japanese administration

manager asked the researcher if he could recommend a trade union for the factory. This seemed to be contrary to the thinking of the company president, Mr Nagai, who in his English foreword to the autobiography of Thomas Telford wrote, "Under the belief that they have many strikes and unstable labour problems in the UK, the reasons why we have selected Telford as our factory site are as follows. 1. It is generally said that there are many strikes, but the actual situation varies in each individual enterprise, and many small sized companies have been operating without labour unions or without strikes. 2. Telford new town appeared to absorb comparatively young couples, and many companies in the town wished to operate in a peaceful atmosphere. 3. Since Prime Minister Margaret Thatcher has been in power, the labour situations in the UK have changed, and the number of strikes reduced. We basically desired to operate our factory without labour unions, if possible, in the future as well." (59)

The Personnel Manager at Hewlett Packard seemed to imply that unions were for poorly managed companies and that a good employer had no need of them. At Burroughs a quiet air of hostility to unions prevailed. The company had recently had a fully unionised factory at Cumbernauld and had established the new facility at Livingston as non union after nearly thirty years of unionisation at the previous site. In this regard, these foreign companies were not taking cognisance of traditional British practice.

Only at Hewlett Packard was there an admission of some job demarcation between, for example, machine operators and assembly workers (Table 43). In practice, some demarcation had been imposed at Maxell by health and safety inspectors, compelling machine operators to train and certificate themselves in electrical maintenance. Otherwise the two Japanese companies aimed at complete flexibility of labour even between some office jobs and shop floor jobs.

In terms of status gradations, there was some evidence of the introduction of "fine" layers at Maxell and Brother claimed a relatively high number of people with a title (30% of the labour force). (Table 36) The grading of the labour force for pay purposes may have been developing along Japanese lines as it could be argued, size for size, Maxell had twenty eight grades for Hewlett Packard's thirteen.

Superficially there seemed to be relatively few uniquely Japanese practices being introduced by Maxell and Brother, even although one (Maxell) had a policy of maximising its Japaneseness and Brother the opposite policy. In fact both Maxell and Brother had completely ignored, where possible, demarcations between maintenance and production, blue and white collar workers, skilled and semi-skilled.

Hewlett Packard seemed more overtly American than Burroughs. In these areas the role of the British personnel manager could well have been the determining factor. A further complicating feature was the question of what was Japanese and what was American (eg., single status working). The emphasis on the company as a family perhaps belonged more to Japan (Table 41).

All four seemed to be making strong attempts to break or mask the traditional two tier mould of capitalist labour relations by the conditions offered and the environment provided.

Employee Responses at the Four Foreign Owned Factories.

The same set of questions put to employees at GEC and Lemac was put to employees at Hewlett Packard, Burroughs, Maxell and Brother. The key question for the study is what cultural induction, if any, has taken place in the British employees at these four factories. It is suggested that if changes in attitudes and responses have been induced they should be apparent in tables 37 to 43. In these tables figures for GEC and Lemac have been included to give a more complete comparison.

The analysis of the responses forms the substance of Chapter 4.

ABSENTEE RATE		How often are you absent in a year:												
		31*	41	21	39	67	37	0	5	15	7	16	26	11
never,			41	21	39	67	37							
1 day		6	18	7	5	0	0							
2 days		25	23	21	15	13	5							
3 days		6	0	21	5	7	21							
4 days		18	5	14	33	13	33							
more than 5 days		9	10	14	0	0	11							
JOB SATISFACTION														
Would you be prepared to work overtime without payment:														
Yes		41	71	86	33	20	37							
No		59	29	14	66	80	63							
Would you be willing to discuss your present job with other colleagues after hours:														
paid		12	18	7	44	40	21							
unpaid		81	76	93	50	60	68							
no		6	6	0	5	0	10							
Are there times when you think about your work when you are not at work:														
constructively		75	47	57	28	7	37							
with abhorrence		6	0	0	0	0	0							
with interest		0	35	43	44	40	26							
do not think of it		19	18	0	28	53	37							
Do you like your job but would rather work for another firm:														
Yes		6	12	0	5	13	16							
No		94	88	100	95	87	84							
Do you like working for the firm but would rather be doing a different job:														
Yes		25	12	28	21	13	16							
No		75	88	72	79	87	84							
How many relationships with other people in the firm do you have difficulty with:														
none		62	59	43	63	80	59							
some		38	41	57	37	20	41							
Would you do the same job for less pay:														
Yes		25	53	69	10	27	11							
No		75	47	31	90	73	89							
Is your work mainly:														
routine		44	41	14	53	33	47							
boring		0	12	7	0	7	5							
exciting		6	18	14	5	0	5							
quite enjoyable		50	29	64	42	60	42							
Would you describe your job as:														
very satisfying		19	41	36	21	27	26							
satisfying		81	47	57	68	67	68							
not satisfying		0	12	7	10	7	0							
very unsatisfying		0	0	0	0	0	5							
What element of responsibility does your work carry:														
very responsible		37	71	57	37	33	31							
responsible		56	18	43	47	47	63							
little responsibility		6	12	0	16	13	5							
no responsibility		0	0	0	0	7	0							

* %age of those interviewed

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS	GEC	LEMAC
Have you ever openly argued with a superior?	Yes	30	28	53	53	63
	No	70	72	47	47	39
Have you ever refused to obey orders?	Yes	0	21	10	27	37
	No	100	79	90	73	63
Have you ever appealed to a higher authority?	Yes	18	21	16	33	42
	No	82	79	84	67	58
Have you ever been disciplined at work?	Yes	12	7	5	0	21
	No	88	93	95	100	79
Have you any further opportunity for advancement with the firm?	Yes	82	78	58	20	26
	No	18	22	42	80	74
How would you describe your status in the firm?	High	47	50	16	13	42
	Medium	41	43	68	60	42
	Low	12	7	16	27	16
Are you satisfied with the flow of information re company policy and information?	Yes	59	86	47	20	69
	No	41	14	53	80	31

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS	GEC	LEHAC
**READINESS FOR OVERTIME						
If overtime was available would you work it:						
very frequently (10 hrs or more per week)	73	65	36	42	33	25
frequently (c6 hrs per week)	27	29	43	53	47	31
seldom (c 2 hrs per week)	0	6	21	0	20	25
never	0	0	0	5	0	19
If wages were higher and you did not really need the extra money, would you work overtime for the sake of the firm:						
very frequently	33	41	36	21	7	12
frequently	33	53	50	42	27	25
Occasionally	33	6	14	26	33	37
never	0	0	0	10	33	25
To clear an important job for the firm would you work overtime:						
very frequently (10 hrs or more per week)	73	76	93	63	47	50
frequently (c6 hrs per week)	27	24	7	37	40	31
seldom (c2 hrs per week)	0	0	0	0	13	19
never	0	0	0	0	0	0
Would you ever work a little unpaid overtime:						
Yes	87	71	100	58	20	31
No	13	29	0	42	80	69
Do you work unpaid overtime:						
None	53	65	43	79	93	88
Some (c2 hrs per week)	47	35	57	21	7	6
Much (c6 hrs per week)	0	0	0	0	0	6
TIME-KEEPING						
How often are you late for work:						
seldom (3 times per year)	13	23	45	21	40	47
never	87	65	45	74	40	53
often (once per week)	0	0	0	0	0	0
sometimes (once per month)	0	12	10	5	20	0
When late, are you:						
between 5 and 10 minutes late	50	83		80	87 (7)	
more than 10 minutes late	50	17		20	13 (1)	

** Questions put to blue collar workers only

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS	GEC	LEHAC
<u>RATE OF MANAGEMENT CARE</u>						
Concern for on-site welfare:						
How concerned is management re safety:						
very strict	66	53	21	10		26
strict	27	47	57	58	67	47
slack	7	0	21	26	27	16
very slack	0	0	0	5	7	11
Are people disciplined for not wearing industrial clothing?						
Yes	93	29	7	0	7	0
No	7	71	93	100	93	100
Is fire drill ever carried out?						
Yes	100	53	100	84	100	100
No	0	47	0	16	0	0
Weekly	13	0	0	0	0	0
Monthly	20	25	14	0	20	5
6-monthly	53	25	78	44	13	42
Annually	13	50	7	56	67	53
Is the work environment well lit?						
Yes	93	88	100	89	100	90
No	7	12	0	11	0	10
Is the work environment cool in summer?						
Yes	100	71	86	26	13	26
No	0	29	14	74	87	74
Is the work environment warm in winter?						
Yes	100	82	100	68	53	42
No	0	18	0	32	47	58
Is the work environment kept clean and tidy?						
Yes	100	100	93	89	87	68
No	0	0	7	11	13	32
In the light of the above questions, how concerned is management for the work environment:						
very concerned	80	65	43	21	7	21
concerned	20	35	57	74	67	63
little concerned	0	0	0	5	27	16
not concerned	0	0	0	0	0	0
Could management show more concern for the work environment?						
Yes	40	35	86	68	80	74
No	60	65	14	32	20	26

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS	GEC	LEMAC
SCALE OF MANAGEMENT AUTHORITY						
How would you describe overall management style, eg:						
participative	69	29	78	32	7	37
paternalistic	12	29	7	5	40	16
authoritative	19	41	14	63	53	47
Do you feel that management recognises that your interests at work are not necessarily the same as theirs:						
Yes	56	94	71	42	60	74
No	44	6	29	58	40	26
Does management treat you as though everyone's interests at work were the same:						
Yes	81	94	36	58	73	74
No	18	6	64	42	27	26
What do you feel is management's view of trade unions:						
a help in managing	0	0		0	13	31
tolerated	100	13	14	0	53	63
a nuisance	0	47	78	43 (3)	33	5
obstructive	0	40	7	57 (4)	0	0
How do you think management view the firm:						
as a family	100	53	64	26	20	16
as a football team	0	47	21	26	20	21
as a number of different groups	0	0	14	16	13	21
with different interests	0	0	0	32	47	42
as a collection of people simply thrown together in a place of work	0	0	0			
Is conflict at work:						
faced up to	87	88	93	68	73	68
hidden	13	12	7	21	7	21
ignored	0	0	0	10	20	11

* Nos in () are actual numbers

* KNOWLEDGEABILITY OF MANAGEMENT									
Do managers obviously know more about the job than you:									
Yes	40	47	21	53	40	32			
No	60	53	79	47	60	68			
Do managers ever ask you to demonstrate or explain what you are doing:									
never	47	41	50	58	47	68			
seldom	20	41	33	16	40	32			
often	33	12	17	26	13	0			
very often	0	6	0	0	0	0			
Do managers offer to show you how to do the job:									
never	40	35	50	89	87	94			
seldom	20	35	12	5	7	6			
often	40	23	37	5	7	0			
very often	0	6	0	0	0	0			
* LEVEL OF CONFIDENCE INDUCED									
Are your opinions asked for on:									
Industrial relations	40	29	50	0	33	0			
work methods	80	82	64	53	27	31			
design of tools and jigs	27	35	50	5	13	31			
product design	0	0	50	0	0	25			
What kind of impression do you get from management of the future of the firm:									
very poor	0	0	7	0	33	6			
difficult	6 (1)	0	0	5	40	12			
fairly good	6 (1)	47	43	63	7	81			
assured	87 (13)	53	50	32	20	0			
* MANAGEMENT TRUTHFULNESS									
Is management always truthful about the firm's prospects:									
Yes	67	94	92	74	27	69			
No	43	6	8	26	73	31			
* MANAGEMENT FIRMINESS									
Is the application of discipline:									
consistent	47	41	25	10	0	12			
erratic	7	12	25	16	40	31			
fair	47	23	33	47	33	31			
spasmodic	0	12	8	5	13	12			
authoritarian	0	6	0	0	0	0			
oppressive	0	0	0	0	0	0			
slack	0	0	8	16	13	12			
* MANAGEMENT FAIRNESS									
Does management honour agreements?									
Yes	73	82	89 (16)	71 (10)	81	81			
No	27	18	11 (2)	19 (4)	19	19			
Does management act fairly?									
never	0	0	0	0	0	0			
sometimes	29	18	8	16	60	37			
often	21	53	25	37	33	25			
always	50	29	67	47	7	37			

	MAXELL	BROTHER	HEWLETT PACKARD	BURROUGHS	GEC	LEMAR
DEMARICATION						
Are you trained for one specific job?						
Yes	13	41	18	37	33	37
No	87	59	82	63	67	63
Since joining the firm have you been employed in a number of different jobs?						
Yes	80	71	50	68	87	84
No	20	29	50	32	13	26
Do you regularly rotate through a number of different jobs?						
Yes	67	12	11	10	0	0
No	33	88	89	90	100	100
Would you be willing to train for and engage in a wider variety of jobs?						
Yes	100	100	100	95	93	53
No	0	0	0	5	7	47
Is there any job demarcation?						
Yes	0	0	0	10	53	32
No	100	100	100	90	47	68

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7. Ibid., p.7.
8. See Table 22.
9. M.White and M.Trevor, "Under Japanese Management", Heinman, London, p.23.
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12. Ibid.
13. Ibid.
14. Ibid.
15. "Maxell (UK) Ltd., Company Handbook", preface.

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19. "General Information on Brother Industries (UK) Ltd.", unpublished.

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23. "Working for Hewlett Packard in South Queensferry", published by Hewlett Packard.

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26. Ibid.,

27. Ibid.

28. "Hewlett Packard Ltd., Report and Accounts 1985", p.6.

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30. "Readout", published by Hewlett Packard, April 24th. 1986, p.6.

31. Ibid.

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33. "Hewlett Packard Ltd., Report and Accounts 1985", P.7.

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35. Ibid., p.7
36. "Hewlett Packard. Statement of Corporate Objectives", Hewlett Packard 1983.
37. "An Environment of Excellence", Hewlett Packard.
38. Ibid.
39. "Internal capital financing is much greater in the U.S. than in Japan", H.Itami in "The Management Challenge", MIT., 1985, p.72.
40. "An Environment of Excellence", Hewlett Packard.
41. Ibid.
42. "Hewlett Packard. Statement of Corporate Objectives."
43. Ibid.
44. Ibid.
45. Ibid.
46. Ibid.
47. Ibid.
48. 15% in Livingston in 1986.
49. "Burroughs Livingston. Employee Handbook", published by Burroughs, p.1.1
50. Ibid., p.2.1

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54. "Burroughs Livingston. Employee Handbook", p.22.

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57. Ibid.

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59. A.Nagai, op. cit.

CHAPTER 4.

ATTITUDES AT WORK: SOME COMPARISONS.

"It is the constitution of human activity as social labour which provides the materialist basis for human development to take place within the framework of culture and history." C. Woolfson.

Chapter 2 reveals what is known of the work environment and the responses to that environment in two typical British light engineering firms. Chapter 3 reveals what is known of the work environment at two American owned factories and two Japanese owned factories in Britain, comparable in size and type of manufacture to the two British plants. Chapter 3 also sets out what is known of employee responses in the given work environments.

In this Chapter (4), a point by point comparison is made of attitudes at work and perceptions of management in the six plants using the completed interview schedules and drawing also on company literature and additional comments of interviewees taped in the course of completing the interview schedules.

First, however, a prior question, why were these particular issues raised with employees? They were chosen for at least two reasons. Firstly an attempt was made to select issues that would solicit responses that were not entirely subjective, or could be checked from empirical evidence, eg., absentee rates, intra company ranking, information flow, etc. Secondly, issues were chosen on the basis of their perceived importance to industrial relations, which is the broad background area of interest of the project.

Tables 37 to 43 give a comparative view of employee responses in the four foreign owned factories to the questionnaires. The two American plants had no American nationals on site, although there had been Americans employed at the plant during the first decade of its existence. In 1985 the Burroughs plant was managed by a Belgian and the Hewlett Packard site by a Briton.

Both Japanese factories had several Japanese personnel on site, mainly engineers and technicians, but also a works accountant (Maxell) and a senior manager's secretary (Brother). At both factories, the senior management team (1985) was almost entirely Japanese. The British element was represented by the inclusion of the Personnel Manager at Maxell and the Production / Personnel Manager at Brother Industries. What effect, if any, was this management practice or history having on the local labour force culture at the place of work? Before beginning to attempt an answer to that type of question it is important to note that comparisons between samples rather than within samples of company interviewees are treated with extreme caution. The samples have a

certain similarity in that they were chosen by personnel departments, whose remit was to select a cross section of employees in terms of work, age and sex. They were not in any sense carefully matched samples containing for example, the same numbers doing the same types of job, or being of the same age and with similar length of work experience etc. It was felt, rightly or wrongly, that personnel department co-operation across the six plants in this respect would be virtually impossible to achieve, given the pressure on people's time not only in the personnel departments but, more importantly on the shop floors. Nevertheless, given what similarity they have, it is comparisons between companies that are the major interest of the programme and thus an attempt has been made within the given constraints to compare, albeit, cautiously.

As with the interviewees at GEC and Lemac, the same issues were raised at the four foreign owned plants, beginning with absentee rates (see Table 37).

Absence from work and timekeeping

Interviewees at GEC claimed the lowest rate of absence measured in days off per year compared to those employed in the other five factories. Interviewees at Brother claimed the second lowest rate of absence, followed by Hewlett Packard, Burroughs, Lemac and Maxell. Interviewees in the last two factories claimed to have average absences of 2.3 days per year. (See Table 44 in Appendix.)

It should be noted that the figures in Table 44 are not actual figures for absence, but interviewees' perceptions of their absence. The actual figures are likely to be higher. Since all interviewees were from one culture, ie., British as distinct from North American or Japanese, it is reasonable to assume the distortion between the actual figures and people's perception of their absence was likely to be fairly even across the six labour forces.

Average timekeeping at GEC was the poorest of the six factories under examination, (See Table 45, Appendix.) Was this a function of a more mature labour force who, out of a measure of job insecurity, kept the absentee rate to a minimum, but knew that there was a relatively safe level of discretion on the question of timekeeping? Unlike the

American and Japanese factories, all GEC blue collar workers clocked on and clocked off. Their poor average timekeeping in comparison with the other five would therefore appear to substantiate the view that timekeeping improves when the labour force is trusted to come to work and leave work without the times being recorded.

Job Satisfaction in the Factories. (Table 37)

When asked about working for another firm most people interviewed appeared to be content with their current employer. No one, for example, at Hewlett Packard and almost none at Maxell and Burroughs had any desire to work for another company. If anything, discontent with the current employer was highest in the two British owned factories and also at Brother. In this respect, attitudes at Brother might have been showing signs of divergence from those at Maxell.

When contentment with the job was raised, responses throughout the six factories were much the same. Once again, interviewees at Brother appeared to exhibit high levels of job contentment on a par with interviewees at the two British firms. There may, however, be very different explanations for this. Those at Brother were recent recruits, still perhaps enjoying the work. Those at the two British plants knew they were working in a very uncertain product market, so that fear of job loss might well have been inducing a sense of job contentment.

On the question of doing the same job for less pay, the labour forces fell into three groups represented by those at Lemac and Burroughs where there was most resistance to this suggestion, GEC and Maxell where there was less resistance, and Hewlett Packard and Brother, where people were willing to think about the issue. Perhaps there was a certain level of willingness at Hewlett Packard since they had all recently taken a pay cut of 5% and for them it was no longer an unknown experience. But why were so many willing to do likewise at Brother? Was this response a function of the fact that the factory was recently established and people were glad of work in an area of high unemployment? No-one in the factory gave the impression of being overpaid and, indeed, at Maxell, as noted in chapter 3, there were specific complaints that wages had declined in real terms. It was an

issue currently being discussed between the Personnel Manager and the Japanese senior management at Telford. The Personnel Manager was not, as it happened, hopeful of a rise in wages and felt the labour force might have to settle for an extra day of holiday on the annual entitlement.

Factory Stratification

Employee perceptions of the shape of the enterprise, its stratification and the types of relationships possible within that stratified structure were explored with a series of questions. This is an area that appears to be under researched. Ronald Dore (1) is one of the few to examine in any detail, Japanese company structure, despite all that has been written on stratification and the related concepts of status and social identity. Perceptions of company structure are the converse of perceptions of individual place and role in the enterprise. The stereotypical large Japanese company is said to have a tall hierarchy, with a narrow span of control. In GEC, Lemac, Hewlett Packard and Burroughs, the span of control over the production sector of the complete bureaucracy was wider, and the hierarchy consequently flatter and broader. This had the theoretical effect of enabling the employee near the bottom of the hierarchy to see at least the path to the top and to form a mental view of the different layers of the structure.

Considering the issue of enterprise shape first of all, interviewees were asked a number of questions to solicit their impressions of company shape, with the interviewer having in advance precisely what the hierarchical structure of each of the six factories was. Most interviewees at Hewlett Packard knew exactly where they "fitted in". There were 13 grades in the South Queensferry factory, and each person interviewed knew the grade he or she was on. (2)

At Burroughs, 44% interviewed said there were dozens, even hundreds above them in the company, revealing a vague idea of company structure. In fact, in a direct line, most were four to five steps below plant manager level. At GEC, 80% gave very vague answers to these questions. At Lemac the situation was identical to that at Burroughs, 44% were

either extremely vague or admitted simply to not knowing the corporate structure.

In marked contrast, only two people interviewed at Brother were vague about company structure, and this in a labour force young and inexperienced. Likewise at the other Japanese owned factory, Maxell, with a relatively young and inexperienced labour force especially in comparison to the two British owned factories, only two people did not have a clear picture of the company structure.

On the question of stratification, Dore alleges that both Western and Japanese enterprises have adopted a hierarchial, pyramidal structure. (3) In British factories the pyramid is split into two or three fundamental parts, workers, management and perhaps non-working directors, almost akin to an aristocracy reflecting an essentially class based system.

In Japan the pyramid is sub-divided into very many layers, "infinitely divisible strata" (4) Already there were signs of this emerging at Brother and Maxell, where the line workers were hierarchially divided into floaters, those able to float to any job on the line, repairers and team leaders. Each category commanded a small pay premium. In charge were assistant supervisors and supervisors, both below production manager grade.

By contrast, at GEC and Lemac, the two British owned enterprises had assembly lines of some forty workers, controlled by a link operator and supervisor below production manager level. Burroughs had a very similar system and Hewlett Packard had adopted what was, de facto, a set of "standard" grades embracing what would normally be regarded as hourly paid workmen grades in a British factory at one end, and management grades at the other. The line between workman and manager was therefore effectually blurred, if not obliterated.

Information Sharing

When interviewees were asked how they felt about the amount of information concerning the company which came to them, 86% of those interviewed at Hewlett Packard said they were happy with the status quo.

More than half in Maxell, Brother and Lemac were also satisfied, and the high levels of satisfaction at Maxell and Brother may have been a function, to some extent, of the youthfulness of the labour force. (5) It is also known that information in a Japanese company is more likely to be correlated to decision making than in a British or American enterprise. In the latter, information, in principle, is thought to be good per se. The better informed employee is thought to be more likely to react in a responsible way to the demands of the enterprise, an example of Aristotelian thinking so ingrained in Western culture. Information is a commodity which can be "traded" for a return in terms of employee response. Japanese process thinking sees information as part of a process that issues in a continuous stream of corporate decisions. (6) These decisions are the sinews controlling company fortunes as they move forward in time and in the hostile competitive world of international trade. The real reason therefore why the youthful labour force at Maxell and Brother was not exposed to a flow of company information was that they were not involved in the decision making process. Those who were, the senior British managers, apparently were informed of at least part of a whole range of issues including company profitability.

Overtime working

Generally speaking, high levels of overtime were being worked in all six factories. (7) The working of overtime is itself one of the very many strands in employee response to a particular set of circumstances. Clearly where wage rates are considered below average for an area, overtime working is a method of increasing earnings to a level judged to be more acceptable. In this sense, overtime working is fulfilling a personal need.

Although in the first place employees see overtime in terms of working for themselves, when asked if they would work overtime to clear an important job for the company, or simply if they would work overtime for the sake of the company, a variety of responses was solicited. For many these were odd questions. (8) They were questions they had not been asked before and questions which hitherto they had not asked themselves.

To work overtime for the sake of the company, as with doing anything for the sake of the company rather than for one's own sake, implies a relationship of trust and a presence of loyalty. The employee has trust in the company. Likewise the company has trust in the employee in the sense of relying on the employee to respond to the request to work overtime rather than declining to meet market demand or placing the work with a subcontractor, or hiring additional and perhaps temporary labour. In recent years in Britain there have been signs that company trust in this regard has been declining. A growing number of employees now find that a condition of employment is that they will work "reasonable levels of overtime".

The question of working overtime for the company is a parameter of loyalty. Some employees in Burroughs, GEC and Lemac, said they would never be prepared to do this. The actual percentages of those who felt like that were 11%, 33% and 21% respectively. Those who were prepared to work overtime "occasionally" (i.e., about 2 hours per week) for the sake of the company appeared in every company with the exception of Hewlett Packard. The actual percentages were GEC 33%, Lemac 32%, Maxell 29%, Burroughs 28%. Those who were prepared to work overtime for the sake of the company either frequently (i.e., about 6 hours per week) or very frequently (about 10 hours per week or more) gave the following comparative diagram of results (Figure 1.)

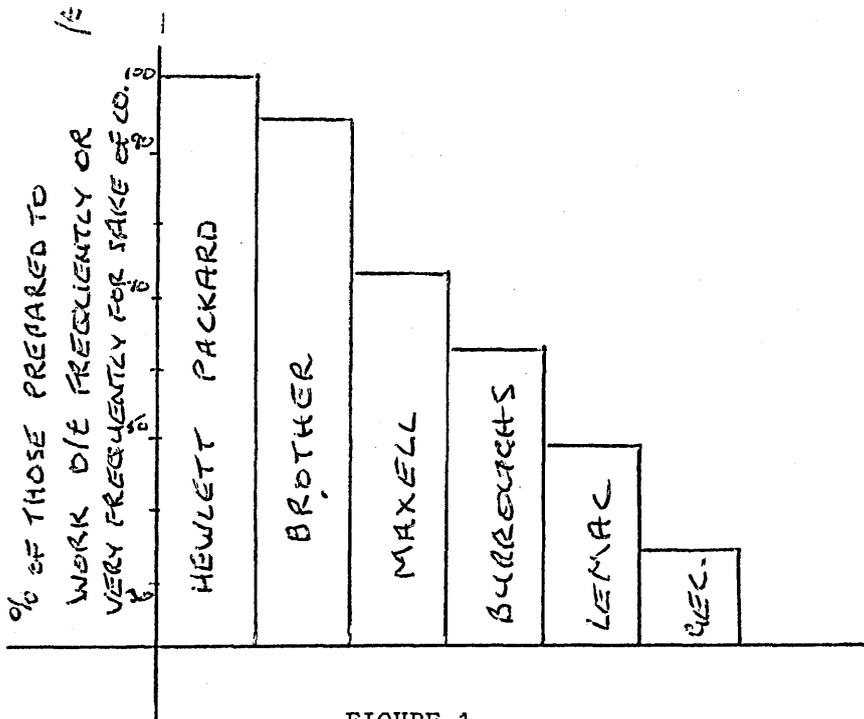


FIGURE. 1

Figure 1 indicates that everyone interviewed at Hewlett Packard was prepared to work overtime for the sake of the company. Hewlett Packard's labour force, on this parameter, indicated a strong sense of belonging to the firm. Employees at Brother also scored comparatively highly in Figure 1. Indeed, it can be said that on this parameter, employees at both Japanese factories also exhibited a strong sense of belonging to the enterprise. Many were prepared to work up to an hour of overtime unpaid discussing the problems and challenges of the work with colleagues. Many said they thought "constructively or with interest" of the work when not on site. These kind of responses were likely to have been engendered by the total impact of a complex and diverse number of issues. However, what is being argued here is that the sense of belonging to the company was already to some extent developed in two out of the four foreign owned factories even in a comparatively new factory, and certainly in comparison with the two British factory labour forces.

At Lemac and GEC there appeared to be comparatively little enthusiasm for the concept of belonging to the company. "If I did not need the money there is no way I would work overtime either for the firm or for anyone else for that matter.", said one interviewee at GEC. Here the more traditional centrality of the cash nexus was paramount. (9) The reaction to the question is also an illustration of a degree of alienation from the work. (10) The work is seen as a means to an end. The money earned is the passport to "real" life.

Perceptions of Management

More striking differences of attitude occurred with respect to employee perceptions of management. At the two Japanese plants, managers were seen as very strict about safety and "high" on concern for the work environment. Generally speaking, management in the foreign owned companies was seen as participative, but this was blurred in the minds of the interviewees in the Japanese factories. They tended to interpret the more frequent presence of the managers on the shop floor as "participative" management. In practice, the management could be very authoritarian as illustrated by their aversion to moustaches and

whistling and walking with hands in pockets on site. The overall impression of "sameness" of treatment was sharpest in the two Japanese plants.

Employees interviewed in the six factories were given a number of alternative, descriptions of management style from which to choose, authoritative, participative, paternalistic. When faced with a range of descriptions of management style, they opted for each term as in Table 46 which summarises their response.

Table 46. Perceptions of management style. (Extracted from Table 41.)

Perceptions of Management style	Hewlett Packard	Burroughs	Maxell	Brother	GEC	Lemac
Participative	78	32	69	29	7	37
Authoritarian	14	63	19	41	53	47
Paternalistic	7	5	12	29	40	16

Almost all of those interviewed at Hewlett Packard described the management as 'participative'. One young assembly line operator said "Managers are always on the shop floor and are always willing to come and show you how they want the work done". Others added some qualification. "There are individuals here. Certainly the description of participative is a reasonable overall description of management style. But all three could apply. It's not all black and white." By describing the management as 'participative' employees at Hewlett Packard and in the other five factories meant that management was seen to participate in events on the shop floor and in the design section, by

being frequently present, by wishing to be kept informed of what was going on, and by appearing to share some decision making with non-management grades.

Of the six companies only Hewlett Packard made public in their literature any description of management style. "In discussing Hewlett Packard operating policies, we often refer to the concept of 'management by objective'. By this, we mean that, as far as possible, each individual at each level in the organisation should make his or her own plans to achieve company objectives and goals." (11) It is also described as "open door" management, "Our open plan, well lit and air conditioned surroundings and open door management style encourage every employee to make a significant contribution to the company's success." (12) One employee described it as "management by wandering around". He went on to say "Normally the supervisor and manager are close to the people who work for them. They are also encouraged to have a policy to go out and talk to them, to establish a rapport with them." Notice the two reasons given in support of the practice are the early detection of problems and the establishment of a rapport with the labour force. The early detection of problems can allow the operator or designer to participate in decisions on a one to one basis with the manager concerned. This coincides with Hewlett Packard's individualistic approach to labour relations. At South Queensferry there was no formal consultative process, no committee structure and no works council. Participation was therefore given a narrow definition. It implied small group discussion at the most, and more often dialogue between manager and supervised employee. Secondly, it was a definition that excluded the "normal" areas for participation in British industry, labour relations, pay and conditions of work, and confined them to the production task. This view of participation was also a feature detected at Comco by Cressey. "We (management group of 8) run the company and take the decisions. We don't, for example, consult with the shop floor about the expansion but do consult about implementations or details in formulating new work organisation or machinery etc." (13)

Insofar as management by wandering around stimulates rapport with the labour force, it does so in a way that reinforces company philosophy. The rapport is contained largely within small group relations or one to one relations. Committees, councils and

mass meetings can also be occasions for rapport, but one outwith Hewlett Packard's philosophical approach to labour relations. Secondly, this kind of rapport is entirely within the control of the manager. He is the one who does the wandering around. Even the reciprocal arrangement whereby his 'door is always open' to an employee, by and large preserves management control over the rapport. It discourages deputations, delegates, representatives, all common features of British industrial relations. If the manager has received training in management, and many in large American companies have, then the individual employee is almost always at a disadvantage in this type of participation. He will seldom be an equal partner in the discussion, lacking perhaps technical ability and articulability. It could be argued there is little real participation in this type of situation. There has been a change from one person as boss of many, issuing instructions, to one person bossing each individually. At the individual level the issuing of instructions can be more easily couched in language that makes the exercise feel like a discussion to which both parties have contributed. This in fact constitutes much of a "good" manager's management skills.(14) As in all management techniques there is therefore an element of manipulation. Here it revolves around the refusal to accept the other as an equal. Insofar as the organisation recognises one as a manager and the other as, say, technician, inequality is inevitable. Only some radical form of cooperative could avoid this. Hewlett Packard was not a cooperative. The inescapable conclusion is that even in a well managed company like Hewlett Packard, managing people is based on a deception. To some extent, "beer-busts", which Hewlett Packard employees did engage in, are an attempt to mollify the deception. They remind the employee that the inequality is temporary, associated only with the workplace, and that in the end of the day managers are just the same as everyone else. Does the employee need to be thus reminded? The assumption of the part of companies like Hewlett Packard that he does, masks an underlying paternalism that is inherent in Western civilisation and North American culture in particular. (15) Encouraged by class division, it fragments humanity into those who are "managed" and those who manage. For all William Ouchi's titanic struggle to carve out a special place for Type Z organisations, he still has to admit that "In Type Z companies, the

decision making may be collective, but the ultimate decisions still reside with one individual. It is doubtful if Westerners could ever tolerate the collective form of responsibility that characterises Japanese organisations. This maintenance of the sense of individual responsibility remains critical to Western society but it also creates much tension in Type Z organisations. When a group engages in consensual decision making, members are effectually being asked to place their fate to some extent in the hands of others". (16)

More importantly, the moral ambiguity remaining even in the best of Western companies points again to that fundamental flaw in capitalist production that Daniel Bell called its basic "contradiction". "The 'new capitalism'.... continued to demand a Protestant ethic in the area of production - that is, in the realm of work - but to stimulate a demand for pleasure and play in the area of consumption." (17)

Is this a characteristic of capitalism or a basic feature of any human society? Ostensibly other systems are based on the satisfaction of need which in itself, does not require a Protestant work ethic but a response to the stimulus coming from the desire to fulfil the need. There is no pressure to stimulate demand as in capitalism. The need stimulates its own fulfilment. If it is not fulfilled presumably the need was not all that pressing in the first place.

Where perhaps Bell does oversimplify is in stating that capitalism stimulates "a demand for pleasure and play in the area of consumption." Consumption can also take the form of the purchase of equity and this also is a demand that capitalism stimulates for the purposes of regeneration.

Nevertheless Bell's basic thesis is accepted and Western Christianity, with its emphasis on forgiveness and acceptance, makes it possible to tolerate the moral ambiguity. After all, are not companies like Hewlett Packard paying above the norm, providing excellent working conditions and generating a reasonably happy labour force? People interviewed at South Queensferry testified to all of these. When the company is profitable and jobs seem secure, forgiveness and acceptance make even the raising of the issue of moral ambiguity seem churlish and unnecessarily disruptive. When there is a down turn in the business cycle, however, the deception rises closer to the surface of factory life to impair relationships. Even at Hewlett Packard in 1985 there

were many who felt that the management style had taken a turn for the worse. "Now some of the managers don't seem to care so much about what the workers think and feel", "The management style has changed. It has become more authoritative", "The company is no longer a family, just different groups of people with different concerns". These were some of the comments made. As already noted, the company was aware of a change and had introduced the company wide industrial survey "Open Line", of which the personnel manager said, "We had an attitude type survey recently. It's the second one. We had one in 1978. Everybody fills up a questionnaire and it's fed into a computer....It gives a feel for where the issues are....We get people like test engineers into a room and say 'here are the results for test engineers, what do you think is behind these results? Give us some issue statements on things like communications - or whatever.' So these groups work together for half a day. They come out with separate issue statements. We have had about twenty analysis groups for one division and they all came out with about five issue statements. These went to management to respond to. We are still going through the process of responding..... You are going back to the people involved in it saying 'Why do you think it's going like this? What are the issues?' Some of it is based on expectation. Things we talked about like management by wandering around..... You get the expectation and sometimes the expectation is much higher than you ever intended to set it."

Essentially this was an exercise which was saying "You tell us what is wrong". In that form, the company is unlikely to receive suggestions that will go further than modifying the present system. What is probably needed is an excision of the basic deception.

By contrast to Hewlett Packard, many of those at Burroughs felt the management style was 'authoritative' and only 33% of those interviewed would describe it as 'participative'. Ostensibly the company philosophy on management was described as an 'open door policy' giving an "environment of access to immediate supervisors and/or managers". (18) It was intended that this policy be supported by regular monthly departmental meetings. The cultural climate for the management style had been set out on paper. In practice, from the perspective of the shop floor, it felt as though a different policy was being pursued. The management style appeared to be shaped by a different set of

parameters largely connected with the external labour market. Livingston was an area of high unemployment. (19) One interviewee said "They have people over a barrel. They can say to people 'do a job' and they will do it." Thus it would appear that external social conditions were proving much more powerful than the internal company culture.

Internally there was cultural ambiguity. The collapse of the regular monthly departmental meetings had led, said one employee, to a situation where "They tend to lose track in certain areas of what they wanted to achieve." The individualism of the essentially American company philosophy was diluted by an innate sense of belonging together and collective responsibility. "The management has to be authoritative to get the work out. Sometimes they think you are just a number and that you're not interested in your work when you are interested. I hope the management sees the company as a family because everyone has to work together." Another employee said "Industrial relations could be improved if people were treated as adults. They could do a lot in that respect because there is a them and us situation."

Of the four foreign owned factories the cultural clash seemed to be sharpest at Burroughs. The reason for this is not difficult to see. As stated earlier in the chapter, management is the main channel for cultural influences emanating from ownership and senior management, to the workforce as a whole. At each of the three foreign owned companies, management was controlled by the owning culture. Even at Brother where, ostensibly, a "British" management style had been adopted, Japanese managerial influence had allowed this development while still controlling the overall situation. At Burroughs the statement of human resources philosophy had the status of a work of reference rather than a daily textbook. While production schedules were controlled from Detroit, the daily management of the factory was in the hands of the people who appeared not greatly influenced by company philosophy. The counter cultural response was coming from British management. The pressure of British cultural mores was greater than that of the would-be incoming American culture. British management at Burroughs seemed therefore to be acting as channels in reverse, keeping out American cultural influences. They were able to do this because the local labour market was so much in their favour with plenty of good quality cheap expertise. Presumably, the continued profitability of the factory

ensured American acquiescence in local industrial relations practice. The conclusion seems to be that where owners must work hard to train a labour force capable of making a production unit profitable, local cultural mores are allowed to prevail. This philosophy of pragmatism coincides with a strand in North American culture that minimises the importance of metaphysics and emphasises the primacy of accomplishment and achievement. (20) Burroughs' American management appeared to be content to allow the British factory at Livingston to function with an essentially indigenous set of management practices. While there might have been a convergence at the broad macro level, at the more micro level, American cultural influences appeared to have diminished at Burroughs to allow the local British culture to predominate.

Despite the complete unionisation of the labour force and the comprehensive consultative system in GEC's Kirkcaldy factory, only one person interviewed felt that management could be described as 'participative'. All other GEC employees interviewed described the management style either as 'paternalistic' or 'authoritative'. (21) Certainly, unionisation and consultation are not guarantees of a participatory style of management. When asked if their views on a number of important issues including industrial relations, work methods, design of tools and jigs and product design were ever requested, 60% at GEC and Lemac said they were not. (22) The remaining 40% of those interviewed had occasionally been consulted on the question of industrial relations and work methods. This is not the picture of a participative management. One 40 year old tester said "Managers never come on the shop floor to ask how you are getting on. I would like them to ask me about the job. There should be much more communication at this level. The men themselves have made a number of improvements to the job but you never get recognition."

Other employees said "You don't really see managers. Instructions get passed down the line. When managers do go on the shop floor they tend to look at people as though they were not there", "You are here to work and that's it", "They are very distant, very aloof", "There are many young managers all trying to prove themselves - trying to show their authority", "They don't care how we are getting on. They're up there and we're down here. They should be seen more often on the shop floor. They seem to stay in their office all day long." Essentially

three criticisms of management were consistently made by supervised employees, managers were aloof, they gave the impression of having nothing to learn from the shop floor, and were lacking in leadership. Managers at GEC were divided between senior people with long service at the plant and a fairly recent influx of younger, more abrasive people. The former would be in the minds of those who described the style as paternalistic and certainly the latter were in the minds of those who described it as authoritative. In other words, how managers actually behave rather than the formal structure of management is what seems to determine management style.

Managerial leadership

In the West managerial leadership is largely understood in individualic terms. In large Japanese companies the emphasis is often said to be on collective leadership, a view with which Pamela Briggs does not always concur. ".....despite their adherence to the complex ringi system of decision making, there is evidence to suggest that Japanese managers are more likely to ignore group decisions....." (23)

The concept of "amae" is important here. It is the "key concept for the understanding not only of the psychological makeup of the individual Japanese, but of the structure of Japanese society as a whole." (24) Essentially "amae" refers to a basic feeling of dependence, stemming from the mother/son relationship, but also widespread in Japanese society. The British and Western concept of the self made autonomous manager seems to have no equivalent in Japan.

In the West, often leadership is not only individualised and personalised, but appears essentially anarchic, accepting no law other than that of personal conviction of the optimum method of achieving results. The effect on the labour force seems almost guaranteed to produce the collectivity of prickly opinionated personalities which the above quotations reveal, as distinct from the apparently smooth, compliant collectivity formed in Japanese factories. With such a fertile breeding ground, that egalitarianism, best exemplified by the writings of Robert Burns, has apparently flourished. A line operator at GEC captured something of the egalitarian spirit when she said "In the

end of the day we are the company. When the Regional Manager, Mr.....is known to be coming round the factory, everyone becomes agitated. This is all wrong. We work hard all the time. Our forefathers gave their lives so that people like us would not have to go cap in hand to folk like Mr....." Thus the culture may increase the difficulty of managing people.

Management - a final word

"Japanese and American management is 95% the same and differs in all important respects." (25) These words of Tako Fujisawa, the President of Honda, are cited by Pascale and Athos in their fascinating comparison of American and Japanese practices. The words of Fujisawa aptly describe the comparison of management at Hewlett Packard and Maxell. In many respects they appear so similar, the one might well have been consciously copied from the other, but there is one fundamental difference. Where Hewlett Packard seemed to be managed as a company of entrepreneurial individuals, Maxell was managed as a team of entrepreneurs. This is a difference which may have its origin in differences of cultural perceptions of people. Traditionally, US culture sees people as hands to be hired. Pascale and Athos call this an "engineer's view of individuals". (26) Its roots are in a culture that tends to objectify, reify, and make sharp distinctions for the purposes of description and analysis. Japanese culture sees people as part of a group, at home, in the community, or as employees. Hence, the roots are in a culture where everything that is, forms part of an organic whole. (27)

The individual/collective distinction between Hewlett Packard and Maxell implies basic differences in perceptions of leadership, as already noted. Differences over the issue of leadership are likely to conceal differences with regard to authority. Weber spoke of three types of authority which legitimized power. The first of these is traditional authority, endowed by heredity, the second, legal authority, derived from rules and regulations, and the third, charismatic (i.e., innate, 'gifted', and unstructured) authority. (28)

In both Hewlett Packard and Maxell, management exercised both traditional authority and legal authority. Only at Hewlett Packard, however, was the emergence of charismatic authority encouraged, and this precisely through the overt emphasis on individualism. In the "1985 Report and Accounts", Hewlett Packard outlined with approval their support for a scheme to help the Third World. The "High Seas Project is the brainchild of a Hewlett Packard employee. A team of marines, artists and scientists will sail around the world, publish the results of research and creative work in the form of books and commentaries. These will be sold to raise money for War on Want"(29) Hewlett Packard's "management by objectives" techniques were being used. The whole project derived from the charismatic authority of a Hewlett Packard employee who was organising the complete programme.

At Maxell and Brother there was no encouragement of charismatic authority. Its omission seemed to be causing some tension in these factories in the minds of the British workforces.(30) This same tension was apparent in the factories examined by White and Trevor. "It was felt, for example, that in the early days when Japanese influence had been stronger, relationships had been easier, whereas British management left on its own tended to put up the traditional barriers." (31)

At Maxell one operator said "The maintenance of the machines and the operating of the machines have been split. This is English interference. If it had been left to the Japanese I would have been doing both. When we first started we were told that everyone was equal and one would be doing a little of everything."

These two somewhat negative examples seem to be the result of the reassertion of charismatic leadership by British managers. A senior British manager at Brother said "We have not introduced the Japanese ringi system of decision making, but have tried to hang on to a British system. I often make decisions without consulting anyone else and then I tell my Japanese boss."

In fact, many people interviewed at Maxell and Brother felt they no longer wanted charismatic leadership. They preferred what appeared to be the more egalitarian participative approach of the Japanese. This comment was typical of several. "I just wish they (British managers) would let the Japanese get on with running the factory their way."

Obviously Japanese "groupiness" was influencing their management practice abroad, as was American individualism in the American factories abroad. The centrality of the individual/collective concept in culture is so powerful that it influences management practices in foreign countries. Bound up with these ideas are notions of shame and pride, which are also operating to affect the work life of employees. While the Americans, especially at Hewlett Packard, saw the factory as a collectivity of individuals and the Japanese, especially at Maxell, saw the factory as one familial collectivity, the British labour force at each factory seemed reasonably content and well motivated. In other words, it does not appear to make much difference to labour force well-being which model is adopted as long as it is pursued with some sense of fairness, internal integrity and coherence. Where there is more of an uncertain cultural mix, as at Burroughs and to a lesser degree at Brother, people were less convinced and more dissatisfied.

The main issues raised by management for the supervised employee are issues of leadership and authority. People at work in the factories appeared very open to new styles of management and seemed ready to adapt attitudes to work to suit the new style. Essentially they were prepared to undertake any task asked of them. White and Trevor also observed this phenomenon and interpreted it in terms of a desire to "break away from the class divisions typical of British industry". (32) While this may be essentially correct, a more immediate reason seemed to be the desire for new patterns of authority. The ostensibly more participative approach of the Japanese did genuinely appear to strike a strong chord of sympathy in the young British workers. Any hesitation in this regard appeared to be coming from the British managers who seemed anxious to maintain the more traditional British practices. These practices were defended in terms of alleged Japanese inability and unwillingness to understand the indigenous culture (eg., the Maxell personnel manager's modification of Japanese practices on the occasion of an employee's birthday).

There is some evidence of the Japanese taking this view in Third World countries. "Some Japanese employees assigned to overseas subsidiaries have the following characteristics, designed to trigger off antagonism; a lack of understanding of local culture, manners, customs, religion, language and the situation of labour unions. They also

possess a narrow outlook concerned only with the development of their business, a group cohesion among themselves, a strong identification with their parent company in Japan, and may also be condescending in speech and behaviour." (33) While this may be true of some Japanese in Britain, their overall reputation and impression at Maxell and Brother was much to the contrary, even if it was only temporarily influenced by some transient respect for British culture.

Trade Unions

Only GEC and Lemac of the six factories recognised trade unions. Nevertheless, employees in the other four factories were asked how they understood the company to feel about trade unions.

Where in the United States, unions are seen as "business type", confining their activities fairly strictly to enhancing the wages and conditions of their membership and avoiding the more overtly political role of unions in the United Kingdom, in Japan, as already noted, trade unions are described as "company unions" being peculiar to each company, often enjoying high status, good facilities, and including supervisory grades. At Burroughs, some who were interviewed were members of trade unions, having joined in a previous place of employment. At Brother, people interviewed said, when applying for a job, they had been asked if they had "links" with a trade union. They had all felt it expedient to deny this. People who had been members of trade unions had allowed their membership to lapse after joining Brother.

In view of the widespread understanding of the role of trade unions in contemporary Japan, how do Japanese companies locating in Britain respond to the presence of the British trade union movement? Will they continue to think in terms of a company union, and if that is not possible, a non union shop? Will they accept multi-unionism and recognise several unions? There have been a number of different responses amongst Japanese owned enterprises in Britain. A number have signed single union agreements, eg., Nissan in Washington, Tyne and Wear. An agreement at Nissan was signed in 1985 with the AUEW, as it was then, for sole negotiating rights with the company. (34) Several others, of whom Maxell and Brother are two, are running non union shops.

At Maxell and Brother, policy in this regard appeared to be dictated by the British personnel manager. At Maxell, senior Japanese management appeared to have second thoughts about union recognition. They had been influenced by the experience of a neighbouring Japanese owned company who discovered their labour force had been secretly recruited to membership of a union perceived by company advisors to be "undesirable", presumably on the grounds of a reputation for militancy. To keep control of the situation, senior management at Maxell had already been comparing the policies of a number of unions with a view to selecting the one most "suitable" for their labour force. In this regard they seemed to be moving towards an emerging norm of practice in Japanese owned companies in Britain. White and Trevor note that "Industrial relations and the role of trade unions was another area giving much concern to Japanese management. And yet in practice industrial relations in the manufacturing firms we studied are both unproblematical and inconspicuous. All had set up single unions negotiating agreements but this is not to be regarded as a distinctively Japanese policy since it is prevailing 'good practice' among large firms setting up on green field sites in Britain." (35)

The Japanese companies clearly appreciated the relationship between the question of trade union recognition and issues of cooperation and conflict. Although trade unions have a recognised cooperative effect on modern Japanese industry, they were imposed rather than voluntarily embraced after the end of the last World War. (36) In the 1920s and 30s they were often brutally suppressed despite a number of outstanding leaders such as the Marxist Kawakami Hajimi (37) and the Christian Toyohiko Kagawa. (38) The essential co-operative nature of Japanese trade unions must always be understood in the light of a common rash of short strikes following the annual round of wage negotiations, popularly dubbed the "Spring offensive". (39) In other words, Japanese trade unions frequently find it necessary to display strength in order to maximise their interests in wage negotiations.

The situation of the two American owned factories was also of interest in this regard. Hewlett Packard had always been a non union company. Their total company philosophy, with its unashamed emphasis on individual development and implied individual competition, had clearly no room for trade unions.

Burroughs had worked with unions. Their previous Scottish factory at Cumbernauld had been completely unionised. It had been conceived and developed in the 1950s when trade union membership in Britain was at its peak. Their Cumbernauld factory had been a large employer of craftsmen, traditionally highly unionised. At Livingston, the company had decided to recruit and operate the factory on the basis of no trade union recognition. The opening of the factory coincided with the period in which craft sectionalism began to decline through erosion of the apprenticeship system of training, the dilution of demarcations and the introduction of multi-skill training and multi-skill working patterns. Insofar as it could be claimed that North American culture with its emphasis on individual "freedoms" is unsympathetic to the concept of unionism, Burroughs had adopted at Livingston a more "American" approach to labour relations. What effect, if any, was this having on the current labour force?

Interviewees at all six factories were exposed to a number of questions relating to trade unionism. Six shop stewards at Lemac and GEC were interviewed, as were also the six managers responsible for personnel or human resources in the six factories. When employees in the four non union factories were asked how they felt the enterprise saw trade unions, a variety of comments were made, for example, "They don't agree with it", "They are against them", "They don't like them", "They won't have anything to do with them", and one said "I have no idea at all". The overall impression was of covert, and sometimes overt, hostility.

Even at Lemac, where four unions were recognised, 63% of all interviewees thought the company "tolerated" trade unions and the corresponding percentage at GEC was 53%. 32% at Lemac thought the company saw trade unions as a "help in managing". Exactly half of this part of the sample were shop stewards and the other half managers. At the other four factories, only at Maxell (non union) did a significant number (75%) think that the company would tolerate trade unions. People in all six factories thought their company viewed trade unions as a "nuisance", and this was particularly true of responses at Burroughs. Similarly at Hewlett Packard, where the higher grade of labour force was clearly individualised, such a workforce was less likely to appreciate trade unions. In this respect, North American attitudes to trade

unionism seemed to be paramount. That is not to say that it is a view necessarily shared by employees, although that was probably the case at Hewlett Packard.

Perhaps surprisingly, at GEC a significant 33% felt the company saw trade unions as a "nuisance" even although they had been present in the factory since the beginning. One of the shop stewards said "The new management (a reference to the influx of young managers) could see the unions far enough." A contributory factor was likely to be the disappointment at the role of the shop stewards in keeping the labour force informed. Most stewards were accused of being reluctant to pass on information. "They meet for two or three hours and when they come back to the line and you ask them what went on at the meeting they say 'Nothing much'", said one disgruntled interviewee. Externally, as has been noted elsewhere, the company was facing a particularly difficult market situation. The management wanted to share the bad news, but not in such a way as to depress unduly the labour force.

A second factor was likely to be the frustration on the part of the "new management" at what were perceived to be trade union constraints on management prerogatives. Essentially, it is a view based on what Alan Fox calls a "unitary frame of reference". (40) It was apparently a recent reintroduction at GEC. In Maxell, Brother and Burroughs the unitary frame of reference seemed to be accepted implicitly by management. In some ways, Hewlett Packard also subscribed to this perspective. There was an awareness of being part of one family, although the word was seldom used. On the other hand, there were elements also of extreme pluralism at Hewlett Packard, in the sense that employees were so individualised they were treated as separate "centres of authenticity" (41) for the purposes of payment and contribution to production.

Older employees at GEC indicated the factory regime had been pluralist in the sense of recognising a strong and central role for trade unions. It was the new young managers who were introducing the unitarist outlook. By describing unions as a "nuisance" there was implied inauthenticity with regard to their role. The dominant cultural view of management was that the owners, managers and supervised grades were all one, and that there were intrinsically those who gave orders and those who obeyed. Fox traces this attitude to the master/servant

relationship which prevailed for centuries in many developed societies. Even this terminology was used until, in 1875, Master and Servant legislation became the Employers and Workmen Act. (42) Not only was the role of trade unions regarded as inauthentic but their existence was perceived to imply a threat to cooperation. Those managers who were prepared to describe the trade unions as "a help in managing" presumably felt that there were some benefits in having trade unions.

Historically it is known that enterprises have appreciated the ability of trade unions to impose discipline, particularly with respect to absenteeism and safety. Instead of negotiating de facto with every employee, as at Maxell, Brother and Hewlett Packard, employers have found it more efficient to negotiate with a small number of representatives. There have been occasions where regionally or nationally negotiated wage levels have assisted in the control of competition.

Experience at GEC appeared to indicate that the "ideology which has its origins far back in the historical texture of class, status and power" (43) was reasserting itself in a changed economic climate. Since that economic climate was shared by the other five factories, the same ideology was there well established. Is this the case of the mode of production imposing a uniform cultural attitude? Probably not. The master/servant relation precedes feudalism. The modern capitalist mode of production divides people into two basic groups, managers and managed. There is immediately a structural sympathy with the older master/servant relation. By establishing apparently single status factories, the American and Japanese companies appear to have had some success in mitigating the more glaring anomalies of the older relations, whereby, for example, a relatively unskilled daughter of an artisan can find herself in the "master" category, enjoying some of the additional benefits therein, while her highly skilled and long serving father remains in the "servant" group. So ingrained are the basic relations, however, that North American and Japanese cultural attitudes in this regard appear to have made no impact on the British employee, whether he be manager or managed.

In short, in these six factories, trade unions are not very popular. One of the Japanese plants (Maxell) had, on the basis of those interviewed, a labour force in which more people thought the company

tolerated trade unions than at GEC (75% and 53% respectively). Any such Japanese tolerance at Brother, however, was being successfully filtered out by the senior British management, so that the workforce opinions regarding company views of trade unions almost coincided with opinion in the two North American owned factories.

Employee perceptions of teamworking

This section begins by repeating the results of the survey on employee perceptions of the work group from Chapter 3. It will be recalled that interviewees were given a number of options from which to choose, a family, a football team, a number of different groups with different interests, or a collection of people simply thrown together at their place of work.

Table 47 shows which option people chose at each of the six factories.

Table 47. Employee Perceptions of the Work Group (Based on Table 41)

	Maxell	Brother	Hewlett Packard	Burroughs	GEC	Lemac
A family	94*	53	64	26	20	16
A football team	-	47	21	22	20	21
A number of different groups with different interests	-	-	14	22	13	21
A collection of people thrown together at the place of work	-	-	-	28	47	42
A group of friends	6	-	-	-	-	-

* Percentage of those interviewed.

At Burroughs the familial factor was less significant than at Hewlett Packard. When both British owned factories are examined, the trend away from any Japanese familism is even more marked. At Lemac few saw the work group as a family, and even then one said the feeling prevailed "amongst only the older ones." One employee said "You are just a number here." Notice the divergence of experience between employees at Burroughs and employees at Hewlett Packard. At Burroughs employees said "There is no particular stress on us to see ourselves as a team or a family." In this regard, Burroughs seemed to operate in a way similar to the two British owned factories. Furthermore, opportunities for consultation and the sharing of information are often

seen as a forum in which grievances can be aired. The Human Resources Manager at Burroughs described those opportunities as follows:

"We have monthly departmental meetings and we are extremely conscious of the need to speak with our people on a regular basis. Obviously the fact that we are a non union facility heightens the need to have those kind of meetings, and to this end we have regular monthly meetings where all employees in any department meet with the supervisor or the manager, on occasion the 'activity head' and perhaps even with myself. But generally there is a HR representative at the meeting. It's a forum for them to make suggestions as to how we can operate better. Hopefully any criticism will be constructive criticism, but generally it's a forum where they can air their grievances, if that's a way of describing it, and generally discuss their employment situation."

When monthly meetings of all employees in each section at Burroughs were held, people could attend or remain at work. "You can stay at your work if you want to but I don't see many people wanting to do that" said one employee. Another said "The firm really is a family because if we don't pull together we will all be out of a job. In this particular interviewee's section, monthly meetings with management were still being held. They were being convened because of continuous pressure from the employees. "We don't let them (the monthly meetings) slip by" said the same employee. What seemed to be emerging here was a very pragmatic sense of belonging together rather than belonging to the company. It had the feel of a more authentic, even primitive sense of belonging in contrast to the more romantic views of belonging to the enterprise. Their sense of belonging had a purpose and it was the purpose element in belonging that "drove" the concept. They belonged together because it afforded an opportunity to air grievances and, in the end of the day, was thought to be necessary for economic survival. One also feels there was a certain maturity of outlook here in contrast to the somewhat naive acceptance that workers were all part of one large benevolent family, as stated by the company. Indeed, one other interviewee said "I hope they (management) see us as a family because everyone has to work together." This is very different from management saying to workers "You are part of a family", implying at the same time "You had better believe it". The inherent realisation amongst employees that there is real material

advantage in being part of a family is likely to be of more value than management attempting to impose the concept on employees "from above".

In the former case the outcome has emotional roots more likely to sustain the concept in times of adversity. Indeed, there are numerous examples of the authentic awareness of belonging sustaining a beleaguered labour force in the face of perceived massive threat from the enterprise, the market, and/or political and philosophical forces, upon jobs and future work, for example, British mineworkers during the 1984-85 dispute. It is more likely that where the concept is imposed on a somewhat bemused labour force, in the face of adversity, it quickly melts away. It is known that Lemac's former owners, the American company Ranco had attempted to induce a family awareness. Virtually no remnant of that awareness could be detected in the Haddington plant.

At Burroughs it seemed that, in a tighter labour market situation which prevailed when the factory at Livingston first opened some eight years ago, the concept of belonging to a family was imposed with a fairly high level of welfarism. In the slacker labour market of the mid-80s, it could be argued there was less need to create worker loyalty, either by welfare provision or by imposing a philosophy or by providing for consultation. In other words, the concept of the family is part of a wider package of mental and material provision that is no longer perceived to be essential to the production process and is therefore expendable when labour is relatively cheap and freely available. Hence the demise of the monthly section meetings, the withering away of social activities, the diminishing emphases, by the company, on the labour force as a family and the growing anxiety amongst some employees manifested by a desire to see themselves belonging to a family for economic survival.

In fact, if the foregoing is a fair analysis of recent developments at Burroughs, it indicates that the company was performing in accordance with contemporary North European/American cultural mores which were engendering stressful responses from employees. The values which appeared to be propagated by management included the drive to atomise a whole range of human relationships and thereby contributed to what Paul Tillich calls the "bourgeois principle" (44)

"The bourgeois doctrine of natural law not only broke down the forms of political domination, it also weakened and partly dissolved all

remaining cultural bonds of a pre-bourgeois sort. The ties to the land were cut by the right to choose one's own place or residence, the bonds to social rank by the abrogation of ancestral rights, bonds to race and region through the emergence of the centralised national state". (45)

The basic drive was to individualise people. Within the ranks of management of many modern companies this process appears far advanced, and usually works in favour of the corporate goals of the enterprise. That is, it maximises efficiency, productivity, turnover and profits. The Personnel Manager at Burroughs was a member of the six man management team which effectually ran the Livingston factory. As far as he was aware, only two members of that team were in the habit of exchanging occasional social visits. The remainder, while friendly enough with each other and able to manage collectively with good human relations, had nevertheless little in common, apart from their work. They were essentially a team of individuals whose only common area of overlap was at their place of work. By contrast, the Japanese managers and engineers at Maxell's Telford factory constituted a community of people, a "little Japan" in a corner of England. Nor was this a function merely of ex-patriot life. There is ample evidence to indicate that in Japan managers' lives overlap both on site and off site in a way which many Western people would feel perhaps a little oppressive. (46)

At the shop floor level Burroughs appeared to have discovered that the state of the labour market influences the efficacy of the drive to individualise people. When the labour market is tight, workers can be retained by disregarding the bourgeois principle and appealing to a pre-bourgeois category, namely family. Such is the power of the concept it has the ability to appeal to radically primitive feelings of belonging and security. These can be exploited to hold a labour force together and to maximise output in the face of an acknowledged "enemy", the competition.

When the labour market slackens the need for such an appeal diminishes. The more modern bourgeois principle can be allowed to assert itself. The individualising of the total labour force becomes the more fruitful way of maximising production, efficiency, etc. The worker is "managerialised". The type of enterprise pressures and insecurities that many managers have always had to live with can be imposed upon the managed employee. This was apparent amongst many of

those interviewed at Burroughs. 79% admitted to thinking constructively and/or with interest of their job when off site, a typical management condition. Burroughs practice seems to be suggesting that this is more advantageous for the enterprise than retaining temporarily pre-bourgeois notions of family, especially when labour is freely available. The employee's need to belong can be ignored. It can be replaced by the more fundamental need for security and income. It is possible not only to move up Maslow's hierarchy of needs, it is also possible to move down!

When the situation at GEC and Lemac is examined it is clear that cultural influences more indigenous to contemporary Britain were also at work. At the macro level neither company made any attempt to induce a sense of belonging to a family. There was no published company policy, no newspaper, no verbal encouragement for employees to see themselves other than what they were, employees. At employee level, contractual type relations appeared to exist.

As already noted (47) when the enterprise is perceived to be failing to meet its side of the bargain, employee feelings towards fulfilling their side of the contract quickly evaporate, giving an immediate impression of ingratitude and emotional distancing from the enterprise. This reaction is fully in accordance with Alan Fox's definition of what he calls, following Max Weber, a "purposive contract" (48). He writes "Only a tenuous and temporary association is created."

(49) The strength of the contract depends on rates of pay and conditions and perceived job security. At GEC and Lemac there was a sense of belonging which had the character of a reassertion of more original feelings of community in the face of the atomising influence of the relations of production. This was particularly the case amongst older employees who had spent most of their working lives at the Kirkcaldy and Haddington factories. For younger members, the separation of economics and ethics appeared to be more complete. The factory was simply a place where one's labour power could be sold. One employee spoke for many when she said "I would never dream of coming in and working for nothing. I would need to come in for money. I can't see it (working for nothing) happening here."

High levels of overtime therefore provided opportunities for maximising the return of the sale of labour power in the face of a

future for employment that looked uncertain. While there was some welfare provision at GEC, Lemac provided only the basic statutory minimum. In other words, little attempt was made to mask the purely contractual nature of the employment relationship by encouraging bonds of loyalty or stimulating a sense of ethical obligation to the enterprise, or superimposing upon the relations of production a philosophy based on religion or ideology.

There is a certain attractive honesty and openness about this approach to industrial relations. It has the merit of treating the employee as an adult. Effectually it implies that a social life is the private concern of the individual and that health provision and leisure needs are obligations on a wider community rather than the employing company. It leaves the enterprise more "free" to maximise the surplus produced from the hire of labour power, the investment in plant and machinery, and the marketing of the product.

This approach may be wholly attractive in a developed welfare democracy. It would be very acceptable in a social milieu where people are treated fully as adults in all aspects of life together. It could be argued that from about 1960 to 1975 Britain had come closer to that goal than ever before in her history. The right to work was more entirely satisfied than at any time since the beginning of the industrial revolution. (50) The welfare state had quickly evolved to fulfil most of the basic human needs from the cradle to the grave. Housing provision, while incomplete, was on target to satisfy most of the perceived need. It looked for a decade or so as though man had indeed come of age.

In Britain in the 1980s, the social situation has changed. The new political philosophy is returning to a radical emphasis on individualism. In this changed political and social milieu a new opportunity arises for the large work enterprise to reclaim some of the welfare provisions hitherto understood as the responsibility of the state.

In this respect the factories owned by GEC and Lemac at Kirkcaldy and Haddington had the appearance of places of work left over from the 1960s. They appeared not to have the will to adapt to the new situation. In the case of Lemac the company may have felt it had not the financial resources to make the adaptation.

So far, what is being said in this section is that employees at Maxell, Brother and Hewlett Packard had virtually had a sense of belonging thrust upon them. At Burroughs the sense of belonging, if not destroyed, had been allowed to evaporate. At GEC and Lemac an original sense of belonging had arisen with very little overt stimulus from the companies. The issues of individualism and family which have arisen in this section will be pursued in Chapter 7. Superficially, the two Japanese owned factories were the most successful at inculcating familial feelings in the labour force, and the British owned factories were the poorest in this respect.

A number of industrial relations practices in the two Japanese factories strengthened the awareness of being part of a family. These included the use of first names, a uniform type of industrial clothing, the encouragement of social activities and gatherings after hours, high trust relations epitomised by lack of 'clocking on', gentle verbal encounter between management and supervised employee and, perhaps more importantly, a policy of no redundancies except for industrial misconduct.

Hewlett Packard also shared these practices but, for a number of reasons, acquired a family concept of the labour force that was substantially different from the word 'family' as understood in the Maxell and Brother factories. At Hewlett Packard these practices had produced a family of individuals, as distinct from a homogenous family group. There were also signs of change at Hewlett Packard. Many of those interviewed spoke of a better 'atmosphere' at the factory a few years ago. "Once this factory was a family but now it is just a collection of people with different interests" said one employee. Several mentioned a change in management style from participative to authoritative in recent years. In fact, the one certain factor had been a downturn in the market for the product in these years, which was reflected in the Profit and Loss Account for 1985, in Table 48.

Table 48. Hewlett Packard Consolidated Profit and Loss Account for 1985.

For the year ended 31 October 1985		1985	1984
	Note	£000	£000
⊙ TURNOVER	2	353,612	293,107
Cost of sales		(283,444)	(215,718)
Gross profit		70,168	77,389
Distribution costs		(54,677)	(46,331)
Administrative expenses		(14,458)	(11,647)
Operating profit	3	1,033	19,411
Interest receivable		1,909	474
Interest payable	6	(6,086)	(2,247)
⊙ (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,144)	17,638
Taxation on ordinary activities	7	1,152	(6,114)
⊙ (LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(1,992)	11,524
Extraordinary item	8	1,100	-
⊙ (LOSS)/ PROFIT FOR THE YEAR		(892)	11,524

What this seems to indicate is that industrial relations are very much at the mercy of market forces or, rather, of how management react to market forces, especially when they are adverse. It seems to be relatively easy to engender feelings of comradeship when things are going well, but in difficult trading conditions, old prejudices are quick to reappear. "Now some of the managers don't seem to care so much about what the workers think and feel" said one 40 year old employee. He felt the situation could be improved if management returned to the ethos of previous years, and added "There still seems to be a bit of a division between workers on the shop floor and, say, office staff. This exists although the factory is supposed to be a one class area."

Conversely, the trading situation at the two Japanese factories was very good and they had been relatively successful at inculcating a feeling of belonging to a family in a short space of time. The hope had been expressed by the Managing Director. "Maxell (UK) Ltd is one

family; all of those who give of their best and contribute to company success will have every opportunity for promotion". (51)

Generally speaking, employees at Brother were less convinced than those at the Maxell factory. As mentioned in Chapter 3, Brother was located in an ex-mining area and some perceptions of the parents were clearly present in their children. One interviewee said the perception of the labour force as a family "is just rubbish". A further complicating factor at Brother was the company's apparent inability to mask discrimination against women. This is an issue which goes to the heart of differences between Western and Japanese concepts of the family. Japanese society is still allegedly very male chauvinist. Family life in Japan has ostensibly been patriarchal in a way which is now largely absent in the West. (52) Any organisation practising discrimination against women in the West is likely to have great difficulty in persuading those same women that they are part of one large family. At Brother discrimination took the form of excluding women from supervisory posts. When a number of female employees were asked if they thought there was further opportunity for advancement in the company, they replied there was no such opportunity because "the Japanese discriminate against women". There were a number of female supervisors but in the early days of the factory, "the Japanese were keen to promote the men" into positions of supervision over the women. "They soon discovered that the women were better at the job than men" said one operator and they were forced to modify their policy and promote a number of women to supervisory roles. Another female employee said "The Japanese offered the group leaders' jobs to the boys but they were not up to it and so I was the next choice." The legacy of discrimination remained to the detriment of familial feelings within the labour force. Writing about discrimination against women in Japan, Pamela Briggs says "Women, out of all the Japanese workers, suffer most from the system, facing discrimination in almost all areas on employment." (53) The experience of the female employees at Brother would suggest that something of this discrimination has been imported to Britain.

It is clear that regardless of the views of the British personnel managers, the two Japanese companies had come to Britain with very definite views of the kind of work atmosphere they wished to establish

in the factories. (54) Where they had needed people with skills, these, few in number, had been recruited. When they wished to impart skills that were necessary to carry out the work and social skills considered desirable to operate a harmonious and efficient factory, they had been able exclusively to recruit young labour with little or no previous work experience. It was precisely this group that ostensibly, at any rate, had absorbed the factory culture based on a family concept. They were therefore quiescent, nonunionised, flexible, willing to work long hours of overtime, and conditioned to think exclusively of the monetary rewards of work rather than its social implications.

There were others. One of the supervisors who had spent some time in Japan spoke at length of a number of issues related to Japanese familism, the importance of status, identification with the company, and the relationship between career development and golf.

"Status is important for the Japanese" he said, "The status of senior people is reinforced by giving them more information. Information is power. This is part of the Japanese philosophy. They are supposed to be a society of equals but in fact it is a society where status and rank is very important. After a while you can go into a Japanese factory and get an idea of each person's rank by the size of their desk, the kind of chair they sit on, and all sorts of small details around them. Quite often we are here to eight o'clock at night. The Japanese just don't understand the idea of overtime. They expect people to commit themselves to the company and work until the day's work is finished. It is very difficult to explain to them why you want to go home at 4.30. Golf is very important to the Japanese. Jobs can be lost on the golf course. Promotion can depend on how you behave on the golf course. Anyone who is ambitious in Japan must play golf. To be invited to play golf with the senior manager is a very great honour."

The importance of status has already been examined. What can be said now is that it serves as a counter to the popular myth that "family" means equality. Just as people are not equal in natural families, neither are they at the place of work. When the Japanese talk about "family" they bring with them a very substantial cultural view of the family that is in a number of respects quite different from Western conceptions of the family. One of these has already been mentioned, the role of women. Another which is raised again in this study is the

question of ranking. There is a sense in which, in the Japanese family no one is equal. Everyone has a separate 'place'. Each 'place' is associated with a 'role'. 55) Throughout one's life that role, together with many other roles, must be enacted before one's contemporaries. What appears as quiescence, subservience or excessive humility in the West may be signs of strength, self control, and character in Japan.

A sharp illustration of some of the possible combined effects of Japanese views of status and the role of women was discernible in the feelings expressed by the English secretary of the Japanese managing director at Maxell. This lady, now in mid-life and therefore one of the oldest employees in the factory, said "You are not included in the work. If I had been the secretary of an English managing director I would know much more about the company and its work than I do here." She was consistently consulted about personnel issues and asked to look after visitors and the company house etc. In other words, in stereotyped female roles she was given almost complete autonomy, as is the wife within the Japanese home. (56)

Japanese life is not a patriarchy in the sense of excluding women or necessarily giving them inferior roles. It does confine them to a very specific area, home and children, in which they have virtual autonomy. (57) Something of this matriarchalism pervades company life, not just in the role allotted to secretaries, but in the ethos of the company itself. The large company is in the role of a secular church in Japan, looking after employees and their families from the cradle to the grave. In the two Japanese factories there were vestigial signs of this essentially matriarchal view of the company. The employee who spoke of Japanese difficulty with the concept of overtime and the desire to go home at 4.30 pm was illustrating another consequence of seeing the company as a family. In real families there is no "overtime", no time off, and no opting out even on a temporary basis. Neither, it appears, is there for core employees of large Japanese companies. Line operators were expected to work 12 hour shifts when the need arose. Managers were expected to work into the evening to complete administration work long after the production lines had stopped. In return, no one goes in want, even of a job.

The management of conflict at work

When interviewees in the six factories were questioned about the management of conflict at work, the most consistent views were held at Maxell and Hewlett Packard. In each factory only one person interviewed thought that conflict was only indirectly faced up to (at Maxell) or that it was hidden (at Hewlett Packard). All others thought that it was faced up to. Interviewees at Brother also exhibited a high degree of uniformity of opinion on the question of conflict. Only two thought that it was hidden rather than faced up to. At Burroughs, Lemac and GEC, 31%, 32% and 27% respectively, of those interviewed thought that conflict was not faced up to. Of these percentages, approximately half thought that it was hidden, and half thought that conflict was ignored. It could be said that best Japanese practice and American practice coincides. The effects of two culturally differently approaches to the issue of conflict produce similar results. Where there is no company cultural construct at work in the area of conflict management, employees have much more ambivalent feelings about conflict, as in Burroughs, GEC and Lemac. A more complete picture of feelings about conflict at work is given in Table 49.

Table 49. Employee Perceptions of Conflict at Work. (Extracted from Table 41.)

	Maxell	Brother	Hewlett Packard	Burroughs	GEC	Lemac
Conflict						
Faced up to	87*	88	93	68	73	68
Hidden	13	12	7	21	7	21
Ignored	-	-	-	10	20	11

*Percentage interviewed.

The issue was explored a little further by asking about the application of discipline and perceptions of management behaviour. Interviewees were given a number of options from which to choose to describe discipline in the factory. GEC and Lemac had the highest proportion of those interviewed who described the application of discipline as "erratic" (40% and 31% respectively). At the same time, 33% at GEC and 32% at Lemac said the application of discipline was "fair" and/or "consistent"

Perceptions of management's fairness were higher in the foreign owned factories. In terms of this parameter, interviewees in two Japanese owned factories had comparatively more positive and consistent views of enterprise discipline than interviewees in either of the two American owned factories or the two British owned. It would appear that on this, admittedly very slim evidence, something of the Japanese cultural approach to discipline was having an effect on conflict and discipline. The cultural approach is described by W.M.Fox.

"A rational and open approach to issues is discouraged. Avoidance of embarrassment and 'sharp cornered words' is almost always more important than a search for objective truth. It is felt that individual will and rational situational requirements should yield to group will. Therefore from the president down there is little in the way of creative decisive leadership. The best leader is the one who loves his company and can act as a reflector of the elements of wa (harmony) in his subordinates." (58)

The weakness in Table 49 is that it does not portray the wider spread of views of these issues amongst those interviewed at Burroughs and Hewlett Packard. In these factories some described discipline as "spasmodic", "erratic" and "slack". Given the emphasis on individualism in American culture the spread of views is probably to be expected. The average age of labour in Hewlett Packard and Burroughs was also much older than that at the two Japanese factories. Also, as already observed, many employees at Hewlett Packard were university graduates and could be expected to take a more cynical view of the management of conflict. At the bureaucratic level, discipline was managed by the use of employee handbooks in four of the six factories. Brother and GEC were the exceptions. The rules and regulations delineated in the handbooks were very similar.

Management knowledge of production

Employee perceptions of management technical skill were highest at Burroughs and lowest at Hewlett Packard. Product technology at Burroughs and Hewlett Packard may have contributed to these responses. Both were probably more advanced than any technology in the other four factories. At Hewlett Packard interviewees reflected the high proportion of graduates on design and research who would feel few managers could contribute directly to their work. At Burroughs the knowledge of the more complex product technology was clearly held by managers perhaps than at GEC, Lemac, Maxell and Brother.

Job training and job rotation

Job training in terms of "general" or "specific" was very similar across the six plants, with interviewees at Maxell being more generally trained than elsewhere, and experiencing more regular job rotation. Only at Lemac was there a significant lack of interest in widening job skill.

Overall what is being said is that there were some differences in attitudes to work and perceptions of management between the foreign owned factories and the British factories and between the Japanese factories and the American factories. They need not all have arisen as a result of foreign ownership and management. Length of time the factory had been established was obviously a contributory factor, as may also have been regional variations in the job market, eg., relatively slack at Livingston and tight at South Queensferry. Nevertheless, a comparative picture has been established with some interesting differences. The task is now to examine those differences in terms of broader, more permanent cultural and social mores at work. That is, a move must now be made from historical observation and comparison to analysis.

Notes to Chapter 4

- 1 R. Dore, "British Factory ; Japanese Factory", Allen and Unwin, 1973, p258.
2. See Chapter 3.
3. Op.cit., p258.
4. Ibid.
5. See Tables 22 to 24.
6. A.Okumma, "Japanese and US Management Methods Compared", in Economic Views from Japan, KKC, 1986.
7. See Table 39.
8. Several people repeated the phrase "for the sake of the firm!" as an exclamation. Their response recalled an "off the cuff" statement made by Mr Konosuke Matsushita (See page 18).
9. Both GEC and Lemac operated bonus systems for operators. None of the other four companies operated a cash incentive scheme.
10. To some extent in three of the four foreign owned factories alienation was being compensated for by engendering awareness of group belonging.
11. Hewlett Packard, "Statement of Corporate Objectives".
- 12 "Working for Hewlett Packard in South Queensferry", Hewlett Packard leaflet.
13. P.Cressey, "Participation in the Electronics Sector; The Comco Case Study", Centre for Research into Industrial Democracy and Participation, University of Glasgow, 1984, p31.

14 One employee at Maxell said, "We are often consulted about changes and there is some discussion. But in the end of the day, they are really orders."

15 See J. Burnham, "The Management Revolution", New York, 1941, p72.

16 W. Ouchi, "Theory Z", Addison-Wesley, 1981, p78f.

17. D. Bell, "The Cultural Contradiction of Capitalism", Heinemann, 1976.

18. Burroughs Livingston, "Employee Handbook", p2(iv).

19. 12.7% in 1985.

20. Eg., the philosophy of John Dewey, "To a marked degree, pragmatism provided Dewey with a philosophical rationale for the consistent adoption of scientific inquiry as the single methodology to be used in resolving all problematical situations.", D Sidorsky, "John Dewey. The Essential Writings", Harper 1977, pxvi.

21. See Table 19.

22. See Table 20.

23. P. Briggs, "The Japanese at Work; Illusions of the Ideal", in, Industrial Relations Journal, Volume 19, No 1, Spring 1988, p28.

24. T. Doi, "The Anatomy of Dependence", Tokyo, 1973, p28.

25. R. T. Pascale and A. G. Athos, "The Art of Japanese Management", Penguin, 1981, p85.

26. Ibid., p86.

27. See T. Ken, "Are the Japanese Scientific?", in Japan Echo, Volume IX, No 1, 1982.

28. M.Weber, "Economy and Society", New York, 1968, p215ff.
29. Hewlett Packard, "Reports and Accounts 1985", p38.
30. See Chapter 3.
31. M.White and M.Trevor, "Under Japanese Management", Heinemann, 1984, p68.
32. Ibid., p70.
33. T.Nakase, "Captial and Class", Spring 1981, Volume 13, p77.
34. P.Wickens, "The Thinking behind the Agreement", in Personnel Management, August 1985, p18f.
35. Op. cit., p125.
36. Scott, Rosenblum and Sproat, "Case Studies in Political Economy : Japan 1854-1977", Harvard Business School, 1980, p81.
37. See G.L.Bernstein, "Japanese Marxist", Harvard University press, 1976.
38. See C.J.Davey, "Kagawa of Japan", Epworth, 1960.
39. See eg., T.Hanami, "Labour Relations in Japan Today", London, 1979 p150.
40. A.Fox, "Beyond Contract: Work, Power and Trust Relations", Faber, 1974, p249.
41. Ibid.
42. Ibid., p250.
43. Ibid., p251.

44. P.Tillich, "The Socialist Decision", Harper and Row, 1977, Chapter 3.
45. Ibid., p85f.
46. N.Sasaki, "Management and Industrial Structure in Japan", Pergamon, 1981, p12.
47. Chapter 2.
48. A.Fox, op. cit., p153.
49. Ibid., cited from P.Selznick, "Law, Society and Industrial Justice", New York, 1969, p54.
50. Unemployment averaged 2.2% over these years. (Department of Employment Gazette).
51. K.Kakurai, "How Maxell Came to Set Up a Factory in Telford, England", unpublished speech, p7.
52. C.Sheldon, "Benevolence, Tradition and Paternalism", in Euro-Asia Business Review", Volume 2, No 2, April 1983
53. P.Briggs, op. cit., p25
54. See K.Kakurai, op. cit., p6.
55. See I.Hupperts, "Corporate Identity in Japan", Sophia, Tokyo, 1985
56. S.Yamamoto, "The Historic Roots of Japanese Corporate Culture", in Journal of Japanese Trade and Industry, Jan/Feb, 1985, p62.
57. See L.Trager, "Letters from Sachiko" Abacus, 1984, p100.
58. W.M.Fox, "Japanese Management: Tradition Under Strain", in Business Horizons, August 1977, p81.

CHAPTER 5

SOCIALISATION AND ITS IMPACT ON THE WORK ENVIRONMENT.

ATTITUDES AT WORK AND PERCEPTIONS OF MANAGEMENT.

"Managerial reality is not an absolute; rather, it is socially and culturally determined." Pascale and Athos.

The preceding two chapters have been comparative, quantitative and descriptive. They have catalogued the working conditions which the owners have provided, and employee responses in terms of job satisfaction, performance at work, perceptions of managements, etc. In order to address the questions which have given rise to the programme it is necessary to move the analysis to another plane, to produce the beginnings of a theory to account for the differences observed in working conditions and employee responses, and the relationship between them. Before doing so, at least one preliminary is necessary, i.e., to outline briefly the factors which govern the shape and provision of working conditions.

Some factors which govern the shape and provision of working conditions.

These factors can be divided generally into at least two types, objective and subjective. The objective factors are "given", e.g., climate, type of product, length of service of the factory and cost of provision working conditions. Clearly the most objective of these factors is that of climate. All the others are open to some manipulation.

The subjective factors are, perceived expectation of employees, the values and expectations of the incoming investors, the expectation generally accepted in the host country and actual expectations of employees.

a) Objective factors affecting the working conditions.

Climate. Since all six factories of the study were in the United Kingdom this factor need not concern the research per se. All six needed to protect the employee against the same set of natural conditions, particularly in terms of temperature changes.

Type of product. The factories were chosen partly on the grounds of similarity of product. While each of the products of the six factories was essentially of the clean assembly of parts type of manufacture, each also involved the use of dirtier, heavier machine tools and processes on the same site, eg., plastic extruders at Maxell and Brother, stamping machines at Hewlett Packard and Burroughs, soldering type operations at GEC and aluminium casting and machining of small parts, eg., spindles at Lemac.

In almost every case this had meant some division in working conditions between a clean area and a dirty area. The exception was at Hewlett Packard where the stamping machines were run under the same roof as that covering the rest of the labour force. By and large, with the type of product these six factories were producing, it was possible to provide clean, noise free, dust free, well lit environments.

Length of service of the factory. Ceterus paribus, older factories are likelier to have poorer working conditions than new factories. In terms of age, the six factories of the study are listed thus, with the date of opening in parenthesis: Lemac (1963) ; GEC (1966) ; Hewlett Packard (1978) ; Burroughs (1981) ; Maxell (1983) ; Brother (1984).

Cost of provision of working conditions. The amount of money the employer intends to spend on working conditions will clearly determine their quality. This will range from the initial provision of the factory and its facilities to pay related issues such as sick leave, holiday entitlement, pension provision and fringe benefits. Naturally the cost burden of working conditions was not the same across the six factories. The differences will be discussed in the following chapters.

b) Subjective factors affecting working conditions.

Perceived expectation of employees. The foreign owner is likely to be unwilling to provide working conditions significantly better than those generally enjoyed by comparable groups of employees in the host

country. The usual argument in favour of this policy is that it avoids destabilising wages and conditions in the host economy.

Industrial expectations of the incoming investors. The incoming investor is likely to have a complete set of industrial relations expectations based largely on practice in his own country. He will not necessarily replicate these conditions in the host country but they are bound to remain for him comparators, especially in assessing costs. His industrial relations expectations will also have influenced the original decision to invest in that particular country.

The expectations generally accepted in the host country. In a developed industrial nation these will be enshrined in a body of legislation comprising rules and regulations anent safety and good working practice that have accumulated over time. In practice, the foreign investor may rely on the personnel manager drawn from the host country to interpret these expectations and to ensure that the company remains within them.

Actual expectations of employees. Actual employee expectations of working conditions may vary from incoming investors' perceptions of these and from the generally accepted norm for an industry depending largely on labour market conditions and perhaps on associated regional variations. In slack labour market conditions employees may be willing to accept poorer working conditions than in a tight labour market situation. The importance of working conditions is that they set the tone for industrial relations. Although industrial relations is primarily human relations, people directly form the subjective factors of working conditions and influence indirectly most of the objective factors (climate excepted). We now turn to the main substance of this chapter.

The difference in working conditions and employee responses.

These have been summarised and tabulated in Tables 1 to 11, and Tables 27 to 43. The question now is, why these differences? Thus far the differences in attitudes at work, including perceptions of management and the provision of working conditions have been noted using features available to observation and quantification, eg., job satisfaction, absenteeism, timekeeping, overtime working, perceived levels of management fairness, the grading of facilities and the quality of provision of working conditions, etc. Unfortunately these features are qualitatively different and cannot be compared one with the other.

To pursue the first two of the thesis' objectives(see Chapter 1.), theoretical explanation of the reasons for the differences must be developed. Such theorising must aim to explain how differences, eg., in attitudes at work in the three pairs of factories, are related to perceptions of management and the provision of working conditions in the three pairs of factories. The thesis is based on the assumption that cultural values i.e., "the generally accepted underlying standards or principles by which social and individual goals in that society are chosen and the criteria by which ends and means are judged and evaluated"(1), offer a rich resource from which to extract an explanatory theory for the differences. While this view appears somewhat out of favour with some industrial relations scholars (Thurley, Trevor and Worm(1981), and White and Trevor(1983)), there are a number of Japanese researchers (Sasaki(1981), Morishima(1982)), and American researchers (Pascale and Athos(1983), Alston(1986)), who recognise a role for cultural values in industrial relations without explicitly formulating their intuitive convictions into a comprehensive theory of the explanation of the variations in industrial relations practices and particularly with regard to foreign owners and managers operating in one country.

The empirical and comparative base of the approach to this challenge will be maintained but the information will be interpreted in the light of what is known of cultural values that are considered to have the most immediate impact on the differences being studied. While it is recognised that there is an unavoidable introduction of subjectivity at

this point, its impact on the analysis is minimised by occasional references to the wider industrial relations context of the six factories.

The first question of the programme was, how does the national cultural context of the employers influence employment practice in the foreign country? By way of an answer, the three basic sections arising from the interview schedules, i.e., provision of the working environment, attitudes at work, and perceptions of management are discussed. While technology influences all three, the basic contention of this thesis is that they are fundamentally culturally determined. The comparative empirical information will continue to have a central place in the analysis, but it will be set within the wider framework of cultural constructs as these are understood with respect to Japanese society, North American society and British society.

To answer the question, some aspects of the relationship between socialisation, i.e., the process of social learning that leads to the adoption of common perspectives, and the provision of the physical work environment at the six factories will be examined in order to tease out the reasons for the differences in the light of cultural values influencing the shape of the work environment. Secondly, socialisation and attitudes at work will be examined. In order to give this part of the analysis as hard an empirical focus as possible, grievance and consultative procedures in particular are analysed. These have been chosen because attitudes at work have been traditionally enshrined in these areas so that they reflect not merely the current attitudes but also traditional attitudes. Finally in this section, styles of management are discussed together with worker perceptions of management and the relationships between these and the three national cultures of the study.

Single status and open plan working.

Preconceptions on the part of owners and managers have determined, along with economic criteria, the physical conditions in which the labour forces are employed and the ways in which they are structured and

organised. Writing ostensibly about 18th century factory architecture, Jennifer Tann says "Like domestic architecture (it) must be centred in the context of the thoughts fears aspirations and political views of the person who was responsible for the building in question. To ignore the social context of factory architecture or to study a building in isolation is meaningless." (2) These preconceptions will inevitably be culturally determined, i.e., determined by the values commonly associated with a particular national culture, as well as influenced by the mode of production.

Like Hewlett Packard the two Japanese plants were largely open plan and ostensibly single status. The Japanese differed in at least one significant respect. At Hewlett Packard and also at Burroughs workers were actively encouraged to pursue further education and it was made clear that educational achievement was an important element in promotion. By contrast, the two Japanese companies discouraged further education by requiring lengthy overtime working from virtually the whole labour force, by an emphasis on in-house training and, most importantly, by implying that promotion beyond supervisor level was a remote possibility for the majority.

On reflection, this may not appear to be as surprising as at first sight. While there is intense competition at school in Japan, that educational competition declines in university and ceases once people gain the payroll of large companies. At that stage it could be argued a new form of competition takes place, the competition albeit submerged in the group and long term in its consequences, for promotion based largely on willingness to work long hours for the company, and of course ability in furthering company interests. There appears to be little sense of enhancing the employee's human capital once he or she has joined the payroll. This accords with practice at Maxell and Brother whereby individuals were actively encouraged to see themselves as members of the company. In other words, the incorporation of employees into the company as members rather than highly educated individuals may have cultural roots in the Japanese emphasis on the centrality of the group.

The issue of apparent single status is one of the main differences between the foreign owned plants and the two British plants. The importance of the issue lies not with single status per se, but with the

assumptions behind single status, particularly assumptions related to class. In this respect only Hewlett Packard appeared to be nearest truly single status and nearest a true meritocracy at plant level. GEC and Lemac continued the separation of blue and white collar workers right across the board, as has been seen with respect to working hours, sick pay arrangements, pension provision, physical conditions etc., and as will be seen again in subsequent analysis. The two Japanese companies separated blue and white collar workers not so much in terms of pay and conditions, but obliquely, indirectly, more subtly, on the basis of qualifications and even sex and age.

Clearly practice in this regard has important connotations for labour flexibility. The Japanese have wanted to eliminate the traditional demarcations between blue and white collar workers, skilled and unskilled workers, and production and maintenance. At Telford and Wrexham they had been almost entirely successful in eliminating the first two and partially successful in eliminating the third.

GEC and Lemac maintained all three sets of demarcations and, while Hewlett Packard and Burroughs had gone a long way to eliminating the first two, they had not been able to integrate the maintenance function into production.

In theory the elimination of the skilled/unskilled distinction in the four foreign owned plants had allowed the transfer of labour to a wide variety of work. In practice, there must be some doubt about the reality of this claim. Certainly people could be transferred to any one of a number of jobs on the production line as eg., at Maxell. But this was also done at GEC and in fact represented no breach of the skilled/unskilled distinction. People did not appear freely to move from, say, operating machine tools, to production assembly work, or from testing and fault finding to assembly. In other words the old two-fold system seemed to allow as much flexibility or transferability with the two traditional categories as under the so-called new system. The new system may have differed from the old by allowing some interchangeability between traditional skills rather than between skilled and unskilled. In fact the new system as operated in the four foreign owned factories may have eliminated a bipartisan distinction and replaced it by a multi-partisan arrangement of skills, packers, machine

operators, testers, inspectors, assemblers etc. Does this actually represent an increase in labour flexibility? It may do so only at the cost of fairly intensive in-house training as at Maxell. But even this cost is merely replacing the cost of training apprentices in traditional skills. The more likely benefits for the firm are not so much labour flexibility but reduced training costs (cf. say, a three to five year apprenticeship) and a flexible reskilled worker whose skills are much more company specific than would have been the case, and who is therefore more locked into employment with the firm than might hitherto have been the case. This is no doubt a factor in the rigid labour market in Japan and must surely tend towards making the British labour market more rigid as these practices become more widely accepted. This in turn must pose a threat to rising real wages and if it becomes widespread, may in the long run effect that reduction in real wages that was originally anticipated as a result of high levels of unemployment. In other words unemployment alone may not be enough to drive down wages so long as those left in employment have skills that are applicable to a wide number of companies. By making people's skills company specific as at Maxell and Brother in particular, the real effect, as distinct from the potential effect of high levels of unemployment, can be made to operate on wage levels to the advantage of the employer. The fact that Maxell's real wages had declined since start-up may be a symbol of things to come, and in the end of the day, the real meaning and value of "flexible working".

Turning to open plan working, it seems always to have been the norm in production areas. The reason for enclosing a work area is likely to be either security, the need to confine pollutants or the demand for a super-clean environment. While there is a long tradition of open plan working in offices it is an issue that is still capable of arousing heated debate, and has found new currency in many modern office designs. One of the American owned factories (Hewlett Packard) and the two Japanese owned companies of this study had fully open plan working in the office areas. In a fairly recent publication on the subject, Kraemer, Sieverts and Partners contend that "Almost all professional office planners are supporters of the open plan office." (3) The technical advantages are, equipment can be located for easy reach,

improvement of communications, encouragement given to closer contact between managers and managed, reduction of fruitless visits to others, optimal use of space, flexibility, reduction of costs and equality of working conditions. The disadvantages are, an increase in the difficulty of concentrating due to distractions, people are more likely to interfere or annoy others, loss of confidentiality, the feeling of always being under observation, unsatisfactory air conditioning systems and continuous use of artificial light. The major social advantage for companies is the increase of contact between people and management and between management and subordinates, facilitating various styles of management which are discussed later in this chapter.

Where there is an overt philosophy, as in North American and Japanese enterprises, towards projecting a team or family image of the labour force, that which maximises opportunities for people to meet is obviously more apposite. Open plan layout has the additional advantage of using group dynamics to suppress aggressive verbal contact and ostensibly enhance harmony. As indicated in Chapter 4, this is particularly valued by the Japanese, even when it appears to Western eyes that conflict is merely being repressed. The group dynamic effect is also likely to enhance productivity as there are fewer opportunities for "hiding" in an open plan layout and, as already noted, a psychological awareness of being under observation.

Conversely, the desire to be shut off from other people so that contact can be to a greater extent controlled, and to be surrounded by a psychologically defensive space, seems to belong to a more British view of human behaviour that has its roots in individualism, the need for privacy and freedom from constraint, a desire to control and perhaps minimise contact with other people, freedom to slack or simply read the paper without the feeling of continuous supervision, and value placed on secrecy and confidentiality. Underlying these roots are concepts related to guilt (the work ethic), justice (no supervision and some privacy and confidentiality), and love (has difficulty in extending beyond the obvious and immediate neighbour).

The "commodification of space" and the question of single status

Giddens reminds readers that Marx's concept of commodification extends also to space. (4) In feudal societies, space was conceived as an unalterable given physical framework, apparently "owned" in part, but essentially common. Under capitalism it became a commodity to be bought and sold like any other commodity. (5) At Hewlett Packard and Burroughs it was used as a costing datum. Factory productivity was measured in terms of dollars per square metre of floor space. Consequently, the one complaint of employees in both of these factories was of their cramped working conditions. Many people said "We could do with more room to work in".

De facto this was one of the few signs of a breach in company philosophy at Hewlett Packard. The company alleged that it put people first and considered their employees as their greatest asset. (6) Yet their basic accounting standard put the welfare of employees in some jeopardy.

Presumably the base of square meterage was chosen since it remains constant over time and, given the relentless rise in land prices, is likely to be an appreciating asset. Crowther and Carrahan calculate a substantial potential profit to Nissan by the purchase of land around their new plant near Sunderland. "We estimate this non-industrial land price to be in the region of £1800 per acre. In the 'onwards sale' we can assume that Nissan is in a position to charge at least the current price in the region from prime industrial development land which is of the order of £20,000 per acre." (7) There are, of course, other reasons for this which will be described later in the thesis.

A base in terms of money invested would need continual adjustment to take account of the fluctuating value of currency. A more common measurement of output is to compute output in terms of people employed. Presumably Hewlett Packard had ignored this option on the basis of its stated policy of no redundancies. (8) Commenting on the company he calls Comco, Peter Cressey says "This accepted practice (of no redundancies) is one which management insists has not been breached. In fact according to the MD, the only thing he could be dismissed for was if redundancies were to happen in the Edinburgh plant. This policy he

said, had a number of implications for employee and management relations. First, it has made managers more responsible for their actions. Without the easy fallback of staff losses they had to be better managers, more cautious in their targeting, costing and performance. It also meant that recruitment was a very important area. If you could not make anyone redundant then one had to be right in one's selection the first time. But more importantly he said that with an entrenched no redundancy policy this produced a secure atmosphere in which bad news as well as good news could be transmitted with plain candour." (9)

It also means that the temptation to improve productivity by reducing the labour force is no longer an option. It might be argued that cramped working conditions is a relatively small price to pay for job security. The net result is curious in this respect also, that a company turning over millions finds itself in the position of stressing its labour force for the sake of a very modest, one-off expenditure on additional space. It could be argued that packing people close together at work is more likely to induce not only a sense of belonging, but a feeling of common endeavour and hard work, all for the benefit of the company and presumably outweighing any irritation arising from cramped working conditions. Indeed, while the former is likely to have an economic cost benefit, the latter is likely to incur a cost disadvantage. Perhaps a more satisfactory conclusion is that this was a company with exceptionally tight accounting procedures. Ouchi writes "A Japanese professor of accounting, a brilliant scholar trained at Carnegie-Mellon University, who teaches now in Tokyo, remarked that the status of accounting systems in Japanese industry is primitive compared to those in the United States." (10) Most North American companies have two accounting systems, the more detailed of which measures every financial aspect of "transactions between departments, divisions and key individuals in the organisation for the purpose of untangling the inter-dependency between people". (11) Hewlett Packard appeared to belong to this particular genre of company. At the end of the day the comfort of the workforce was subservient to the need to control costs.

A further feature of the commodification of space was particularly apparent at Maxell and Brother. As already noticed, the complete absence of windows in the production area and the entirely artificial

environment represented an ultimate separation of people from the natural environment. Thus Giddins can write "In all pre-capitalist societies, human beings lived close to nature - and in many cultures have conceived of themselves as participating in the natural world in ways that have become completely alien in the West. But the built environment of capitalist societies draws a radical separation between human life and nature. This is the case in the first instance in the capitalistic workplace, in which both the character of the labour task and the physical setting of the factory or office sever human beings from the influence of the soil, weather, or cycle of the seasons. The situating of the workplace in an urban milieu of commodified space, moreover, strongly reinforces this. Most of us today spend most of our lives in settings that are almost wholly of human manufacture." (12) In this respect the two Japanese factories and Burroughs differed from Hewlett Packard. Hewlett Packard did claim to have abolished the distinction between the "plush office and the noisy workshop". (13) Everyone shared the same environment and similar conditions. At the other three factories and, indeed in the two British factories, conditions varied between production and administration. Cressey's managing director at Comco "went on to criticise the form of paternalistic and class based system of management that he saw in Scotland, the double standards and mediocrity of it. The plant at Edinburgh had inaugurated a classless system based on equality of treatment of employees in all things beyond gradings. Therefore the production employee was not singled out for evaluation, for bonus schemes, for dirtier conditions or for separate canteens, toilets etc. Everyone has the same conditions. Once more the effect was to strengthen the non-institutionalised system. With little of the double standards and unequal treatment in staff practices, another leg of workforce representation falls." (14) Here he is making the point that the radical single status option diminishes the need for alternative employee representation. Significantly this was a need that was not felt to be entirely removed at Burroughs, Maxell and Brother compared to feelings at Hewlett Packard. These were summarised succinctly by one supervisor who said "There is no discussion about trade unions here and no role for them."

Certainly at Hewlett Packard a number of traditional employee concerns appeared to have been addressed if not entirely dealt with to the employee's satisfaction, eg., job security, job status, fairness of wages and conditions between employees, participation in decision making (albeit not through traditional structures), pace of working, autonomy at the workplace and even "involvement in a collective identity" (15). This last point will be dealt with more fully in Chapter 6 as it is of central importance to the whole discussion of culture in the workplace.

Burroughs, Maxell and Brother had not embraced single status working as thoroughly as Hewlett Packard. Conditions for the office staff were a little better than those for production workers in that they could at least see the world outside the factory. There were, of course, other subtle ways in which the single status concept had been modified, eg., overtime payments for some, expectations placed on managers, and the size and position of desks for senior personnel etc.

It would be tempting to interpret the desire for single status in terms of a moral understanding of the basic equality between people. In reality, the adoption of single status does give those who have embraced it a moral angle with which to justify its adoption. Hence the managing director who spoke of the "paternalistic class based system of management that he saw in Scotland, the double standards and the mediocrity of it". It would, however, be a mistake to conclude that single status working had resolved class division at work. As already observed, the distinction between those who received payment for working overtime and those who did not, remained, as did distinctions such as company cars, and share holding schemes. Its retention as a management method, therefore, is likely to have an economic base. Companies which have adopted single status are convinced that ultimately it increases profitability by producing a more flexible labour force by eliminating internal sectional divisions between skills.

In the factories of the study, single status was closely associated with non-unionism. The argument seems to be, and this is probably the real reason for its adoption, if employees are all basically equal with equal rights and privileges why do some need trade union representation? What is almost entirely ignored is that single status working is essentially about how people are designated and some would say,

manipulated. Management prerogatives remain intact and control is more firmly in the hands of management. That is, the managed employees have paid a price for single status in terms of relinquishing any claims to "regulate, limit and even displace aspects of capital's control of the labour process." (16) Specifically, rates of working, hours of working, rates of pay, competition between individuals and between teams, are all in the hands of management, as was particularly the case at Maxell and Brother, so that their labour forces have no protection other than the economic viability of the factory. In this regard they seem to be models of the new factory working for the 80s.

Finally single status working is geared to producing a cooperative labour force by maximising trust and employee output. Employee reflections seem to confirm that where people are apparently treated as equals the cost in improved working conditions and perhaps fringe benefits is more than compensated for by an awareness of enhanced value (17) and therefore dignity and even a sense of obligation to the employer (18) that is calculated to maximise loyalty. The conditions for greater effort and increased output have therefore been optimised. Philosophically and theologically it has always been known that people generally respond in a way commensurate to the way in which they are treated by others. Hence the 'golden rule', "Do unto others as you would have them do unto you", and the Jewish/Christian interpretation "Love your neighbour as yourself". Where religious and ethical teaching can be demonstrated to induce a reasonably profitable result it will be heartily embraced by capitalism. That it happens to coincide with private convictions of many managers, in particular, is an added bonus. The association of the 'golden rule' with capitalistic self interest, was a central conviction for the New England journalist and writer Edward Bellamy, whose vision of public capitalism aroused widespread interest at the turn of the century. Perhaps the last word in this section should be left with him. "Edith introduced me to the superintendent of one of the factories, a handsome woman of about 40 years. She very kindly showed us about and explained matters to me, and was much interested in turn to know what I thought of the modern factories and their points of contrast with those of former days. Naturally, I told her that I had been impressed, far more than by

anything in the new mechanical appliances, with the transformation in the condition of the workers themselves..... On the other hand, when, as in your day, a class like your private capitalists, who did not share the work, nevertheless settled how it should be done, it is not surprising that the conditions of industry should have been as barbarous as they were, especially when the operation of the competitive system compelled the capitalists to get the most work possible out of the workers on the cheapest terms." (19)

Grievance and consultative procedures

A major area of potential grievance is the question of earnings, bonuses, wage payment systems and the division of profits between company, shareholders and employees.

Differences in practice with regard to the purchase of shares emerged. The Japanese owned companies gave no preferential access to share purchase to their British employees, whereas both the American owned factories had a number of attractive share purchase schemes available to employees. The Hewlett Packard scheme was described by the Personnel Manager as follows:

"There is a profit sharing scheme open to anyone after being with the company for six months. There are two schemes. The first scheme is profit sharing, and when an individual has been with the company for six months he can share in that scheme. It's designed so that people who work hard for the company and make it profitable can get a piece of the action, so to speak. What happens is, as a total company worldwide, we set aside 12% of pre-tax profits to distribute to employees as profit sharing. So that if you add up the salaries of all the people employed for more than six months and divide that into the pool of money, that comes out as a percentage. The individual gets that percentage of their salary as profit sharing. It gets paid in two halves, one in June and one in December. Typically, it's in the range of, say, 7%. This year it's 5 and a bit, which means an individual gets 7% of their six month salary in June and 7% of six months salary in December. You have the

option to take that either in cash or in shares. If you take it in shares then it's tax efficient to the extent that if you hold on to it for three years, the tax comes down a bit, and eventually after five or seven years they are completely tax free. If you take it as cash it is income. We also have a stock purchase plan where people can buy shares in the company at preferential prices - 25% discount. An individual can save up to 10% of his salary on this scheme."

At least two points are immediately apparent. Firstly, while the Personnel Manager may have believed that the profit sharing scheme was designed to reward those who had worked hard for the company, in practice it rewarded all who had been employed by the company for more than six months.

Secondly, as a result of the above point, the "reward" in effect came as a bonus on salary twice a year. This was almost identical to the lump sum bonus system common in large Japanese companies in Japan. In Japan an entirely different cultural argument is used in support of the practice. Where the argument in Hewlett Packard was said to be grounded on the promotion of individual endeavour, in Japan it is alleged to support the need for personal savings, to meet the expenses of educating a family and buying a house.

That employees are paid partly on a regular basis and partly in the form of a lump sum has a number of advantages for the employer. A significant amount of revenue can be invested to yield an income in the period between lump sum payments. The employee is put under additional pressure to remain with the company since part of the wage due to him is effectively in the future. A significant element of wage costs can be tied directly to profitability, etc.

The large American companies who probably initiated this practice, defend or "sell" it to the labour force on the basis of individual work effort, which accords with the general thrust of American culture. Since this is not a recognised desirable emphasis in Japan, the Japanese take the same practice and "sell" it to employees on the basis of personal savings for basic commodities such as education and housing. In other words, they take clearly advantageous economic practices and present them in terms that are culturally acceptable in Japan. Practice in some American companies and large Japanese companies is the same, but

presented in ways that are different to suit a different cultural context.

It has to be remembered also that the saving element is not entirely ignored by American companies. After all, saving money is not by any means unique to Japan. The stock purchase plan at Hewlett Packard was described as a means of saving up to 10% of salary. The scheme at Burroughs was described similarly. "There is a stock purchase plan the company operates for employees who have been with the company one year. They can elect to allocate up to 10% of their salary to buying stocks and shares. They qualify to buy shares at 85% of the market price." GEC also gave an annual opportunity to employees to purchase shares in the company, but placed strict limits on the amount available at any one time. Lemac did not operate an employee stock purchase scheme.

The argument in favour of promoting share purchase or share acquisition in an enterprise often seems to turn upon the question of promoting employee identification with company interests. This identification is valued as a means of contributing to employees co-operation and minimising conflict of interest between shareholder and employee by converting the latter into the former. From the analysis of the questionnaires (see Table 37) that sense of identification seemed to be approximately equal amongst the labour forces of the two Japanese owned factories and the two American owned factories. In Maxell it appeared to be greater and, in Burroughs, less than the other three. Yet, the two Japanese owned factories, as is general in Japan, did not encourage the purchase by employees of company shares, and the two American owned companies did.

Insofar as employee shareholding is part of American industrial culture, it appears to be having a cultural impact internally within the enterprise. Stronger alternative conditioning features within Japanese companies must be at work achieving more fully the results that promoters of employee share holding attribute to that practice.

Furthermore, the class and age differences between say Hewlett Packard employees and Maxell employees were likely to be factors in assessing responses to incentives. The main notice board at Hewlett Packard's South Queensferry plant held a daily bulletin on the price of company shares on the Wall Street stock exchange in dollars and pounds

sterling. It was unlikely that Maxell's working class teenagers would have been as excited by this type of information as Hewlett Packard's older and more middle class employees, although there is no intrinsic reason why Maxell's teenage labour force could not have become interested in the price of company stock.

The conclusion must surely be that Maxell and Brother did not want their young labour force to take an interest in stock. It is already known that large Japanese companies in Japan do not encourage shareholding and indeed that the shareholder interest in company ambience is virtually ignored in comparison to companies in the West. Maxell and Brother are not interested in promoting long term commitment to the company, but short term commitment. A whole different set of techniques was therefore being used in which there was no room for a stock purchase plan or for a profit sharing scheme.

As already observed, the annual bonus concept was also not invoked. Its individualistic basis in personal endeavour was perceived to be undesirable. The emphasis was on team working and team endeavour. With the absence of the wider cultural/community reason for saving there appeared to be no good reason either for annual bonuses or for the savings/loans schemes which were operating in the two American owned factories and in the two British owned factories.

The variation between Japanese practice in Japan and Japanese practice in Britain appears to substantiate one of White and Trevor's findings that the Japanese management is above all "flexible and pragmatic".(20) Where immediate social considerations do not justify the expense of importing a Japanese social need, the practice is abandoned.

Since education and housing are comparatively accessible to all in full time paid employment, the rationale for encouraging employee saving must have less important motives, not sufficiently important for the Japanese to adopt employee saving as part of the personnel practice of the company. Indeed, it is likely that employee saving schemes, as in Japan, are a function solely of a particular social situation. Elsewhere they are a problematic appendage to what Bell calls "the cultural contradiction of capitalism".(21) It is not in the capitalism's own interest to encourage individuals to invest either in

stock or savings. Instead the system is engaged in an endless struggle to stimulate demand and encourage "investment" through the purchase of consumer goods. Such emphases have the added attraction of encouraging the individual to work more assiduously to maximise earnings. Without going into the economic wisdom of buying shares in the employing company, the question for this study is that of the potential increase in levels of cooperation and decrease in levels of conflict induced by a shareholding workforce. The conclusion from the current picture of the practice in the four companies under examination substantiates the well known view that employee shareholding appears to have no impact on identification with the company or on levels of cooperation and/or conflict. It is perhaps more likely to minimise labour turnover, erode the boundary between manager and managed, assist in labour flexibility, further privatise and individualise the labour force and destroy any incipient desire for a collective identity in, say, a trade union, rather than the company. In addition to single status working it seems to be aimed at making a contribution towards isolating the employee in the subculture of the enterprise, but the lack of empirical support for this suggests that the employee's wider socialisation is currently able to resist the new enterprise conditioning.

The question for the present project is that of explaining the differences in practice and their impact on employee attitudes at work. There are cultural reasons for the differences in practice, as detailed above, and in this instance employee reactions in terms of, say, commitment to the company vary for different sets of reasons, many of which have still to be discussed in the following pages.

Wage payment systems

Specifically, the wage payment system is more likely to be a potential source of grievance. At Hewlett Packard each individual was on an earning curve which was reviewed annually. (see Figure 1.)

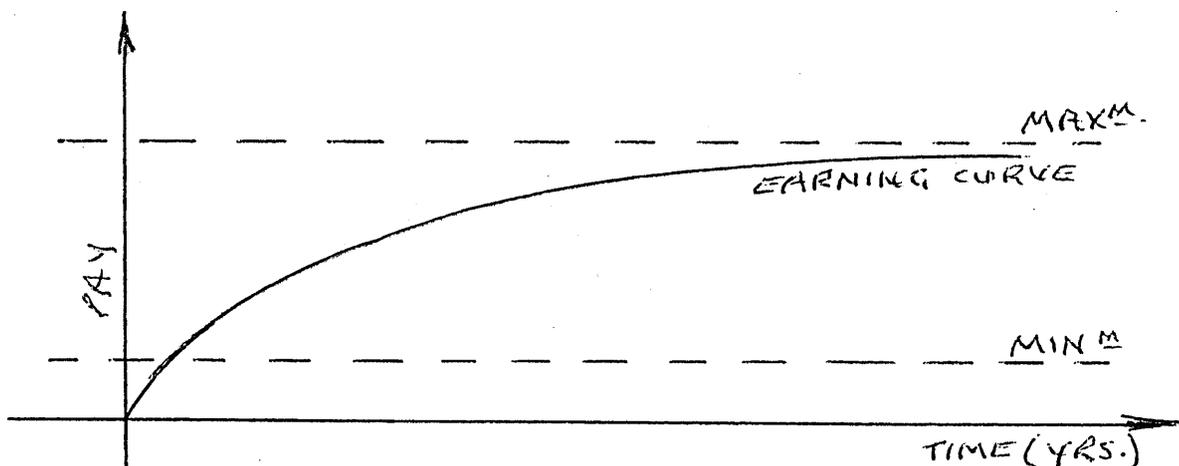


FIGURE 1.

Employees at Hewlett Packard's South Queensferry factory were divided into thirteen pay levels described by the Personnel Manager as follows ;

"We have thirteen grades that cover the whole plant. The top two grades overlap with what we call the management grades. These management grades include the function managers, the personnel manager, the marketing manager, the research and development manager, financial controller, division general manager, quality assurance manager. That's the management team that runs the division. These people are not in the thirteen grades. Which you are on from the management point of view is dictated by the US. The job evaluation scheme dictates where people sit on ranges 1 - 13. For senior functional managers the US have a system called scoping based on the scope of the job and that will pigeon-hole people into particular management grades. We start giving cars at grade 12. We tend not to split up grades and benefits by job. The only

benefit is cars and that starts at grade 12 and that's nothing to do with the job. If a person is on grade 12 they need not be a manager or a supervisor. They do tend to be management jobs."

A number of points are being made here. Firstly, the management team which effectually ran the plant and comprised six senior "functional" managers, formed an elite whose wages and conditions were set by the parent company in the US. They were convened, as it were, by a general manager, a Belgian national, with experience of working for Hewlett Packard in a number of countries. This group represented a break in the homogeneity of the labour force, partly bridged, as it were, by grades 12 and 13 who had similar wages and conditions, but were not part of that select controlling team. This apparently egalitarian factory of about 800 people was effectually controlled by 7 people. For control purposes this represented a very "authoritarian" structure, cleverly masked by a range of working practices that gave the structure of control a very broad and flat appearance. This appeared to have been almost replicated in the control structure of Maxell and Brother, where three or four senior Japanese managers effectually ran the plant. "Below" them in the structure were parallel rows of teams headed by supervisors who were all on the same grade. Within these teams there was further fine stratification. Where the Japanese system differed from the American system was that the former found it necessary to employ two (Maxell) and one (Brother) senior British manager to act as a link person between the Japanese controlling management elite and the labour force.

These systems were likely to have had the effect of minimising the feeling amongst employees that they were unimportant ciphers in a massive hierarchical structure. The hierarchy per se was relatively small. The point for this programme is that here were people from two very different cultures organising themselves and their labour forces in two very similar ways. The apparently small difference between them was, however, of crucial importance. Hewlett Packard's system allowed progression to continue from the 13 basic grades, through to the top management position. Maxell and Brother's "buffer" grade, occupied by senior British managers, was unbridgeable. Not only was the Japanese language a factor here but also the number of suitable senior Japanese

people available in Japan to fill these posts. Unlike the British personnel, the Japanese "members" of Maxell and Brother had been promised lifetime employment. They had to have precedence over any British manager no matter how effective and no matter how competent in the language. And this is precisely the point where cultural differences do matter. Culture was not apparently affecting the structure per se and thus the structure could be copied from what was perceived to be "best" American practice. It was affecting what was, after all, more important than structure, the actual running of the plant. It was in the hands of Japanese personnel and looked like remaining there for the foreseeable future. Their culture did not allow them fully to exploit the potential of the foreign labour force (ie., senior British managers) as is the case with American multinationals and this in the end of the day must be a limiting or handicapping phenomenon for the Japanese abroad. Indeed, it is said the Japanese do not encourage foreigners to acquire a knowledge of either the Japanese language or culture. (22)

The second point to note from the Hewlett Packard personnel managers's description of the wage payment system is that these gradings were quite independent of traditional British lines of pay demarcation based on recognised apprenticeships and trades. Neither were they based on qualifications although these could have affected the employee's grade position. They were based on job evaluation, the value of the job to the company. This was also the situation at the two Japanese plants. At GEC and Lemac, however, pay was related to traditional craft experience and professional qualifications which introduced a rigidity into the labour force. Once again very different cultural backgrounds had made little difference to operational practice in this regard at the American and at the Japanese plants.

Where the multi-national, usually for historical reasons, has adopted a more traditional British approach to wage payment structures, eg., at Ford, and is in competition with a multi-national which has not, eg., Nissan, then pressure to change to the cheaper method of working (eg., flexibility of labour) is bound to arise. The point for this programme is that not only Maxell and Brother, but few if any other Japanese enterprises in Britain are adapting in this sense to

traditional British practice. They are imposing, through single union agreements and working practices as outlined above, a method and structure of wage payment that may have been copied from a number of large American multinationals, and which has long been in practice in Japan. In this regard they appear to be adopting an approach that is as similar to that adopted in Japan as possible. For both American and Japanese firms there appears to be no cultural accommodation in this basically important area of labour relations.

Wage negotiations

At Hewlett Packard each level of wages was bounded by a minimum and a maximum earning (Fig.1). The position between these limits was set by the immediate supervisor on the basis of the previous year's performance by the employee. An opportunity was given to the employee to discuss his position on the curve prior to the new wage level coming into operation. As already noted, the practice of superiors setting rates of pay on the basis of performance was also engaged in at Maxell and Brother. In the remaining three factories, basic pay rates were negotiated at national level by trade unions and employers' federations, even in the case of GEC which was no longer a member of a federation. Thereafter there was scope for local adjustment with unions at GEC and Lemac, and without union agreement at Burroughs. At Burroughs, the Human Resources Manager and the General Manager surveyed local and national wage levels. These provided a "benchmark" for setting rates of pay. These rates were then submitted to the company's American headquarters for approval. The Human Resources Manager said "We have been very successful almost from the plant's inception of getting very good awards for our people", a statement which must have masked the tension between minimising costs and increasing wages. By investing in the same set of people, responsibility for minimising costs and increasing wages (both American and Japanese companies had adopted this practice) the firm, a) eliminates the third party, ie., trade unions, b) creates pressure to minimise the wages bill, and c)

promotes a culture of dependency in the labour force on senior management. It is precisely this third point that is congenial to Japanese culture with its emphasis on familial dependency.

Two further features characterised the wage structure at Burroughs. There was no automatic annual increase, but a hint of the possibility of more frequent pay rises. This was justified on the grounds that "We want to demonstrate to our people within reasonable business limitations that we are looking after them." Secondly, a policy of equal pay for equal work was pursued. A 19 year old man could have been earning exactly the same as a 43 year old if engaged in the same kind of work and performing at the same level. "I think it is the best system because it is very difficult to differentiate at that skill level between one employee and another." said the Human Resources Manager.

For managers at Burroughs, there was a "comprehensive planning system" (23) similar to the wage payment system at Hewlett Packard. At Burroughs it meant in essence, payment on the basis of merit. In agreement with the manager to whom the employee was accountable, objectives were set for the ensuing year. The Human Resources Manager explained as follows :

"Managers are part of the 'key staff group'. They operate on a merit basis. It's a pay for performance basis. We have a very comprehensive planning and evaluation system that allows each individual to sit down with their boss, set objectives for the year in key results areas, and the system allows for an on going appraisal, or interim review throughout the year. At the end of the year there is a formal evaluation that rates them on a scale of 1 to 7, 7 being exceptional, 1 being marginal - not doing a very good job. Within these ratings we have a salary matrix - salary guidelines. There is flexibility to give them higher or lower, based on performance, or medium percentage. So the flexibility is there to really pay people who are performing at high levels, still recognising that people who are doing a good job can still have an increase without necessarily giving as high an award as someone who is really performing in an outstanding fashion".

At both Maxell and Brother this system had been applied to the whole labour force. At Maxell an attempt had been made to keep individual earnings secret. The young labour force had soon divulged to each other

what they were earning and the secrecy had been abandoned. In practice, however, the individual worker negotiated his or her own wages, initially with the supervisor and, if feeling aggrieved, with a triumvirate of managers - a daunting prospect for a 19 year old. Clearly the system in the two American and the two Japanese companies was highly personalised, concentrated power into the line management structure and privatised individuals. This seemed to point to a dialectic in Japanese culture.

The immediate question at this point in the study is, what are the effects, if any, of different cultural attitudes to money, wages and earnings? The United States is often portrayed as much more money oriented than either Britain or Japan. "Few wish to eliminate the chance to strike it rich" (24) What is perhaps more important to take seriously is the point made by Harvey Cox when he wrote " Money is not utterly rational but 'esoteric attributes and talsimanic properties' are projectd into it." (25) In the more money centred society of contemporary North America, new class divisions have emerged on the basis of money rather than consanguinity. This advanced bourgeois society appears to be reintroducing myth and mystique via the acquistition of wealth. The contemporary cult of the "smart" winner and the "despised" loser is a logical outcome of this new cultural emphasis which is "easy on compulsive achievement and obsessive greediness". (26) If Cox is right, American culture has moved away from work as an end in itself towards the benefits of rewards, and to success rather than achievement. In this sense, it is post bourgeois, a curious amalgam of traditional working class and aristocratic goals which confirm Marx's prophetic insight into alienation from both the work process and the end product of work. In the "Myth of the happy worker" Harvey Swados (27) gives a telling description of that alienation.

"They know that there is a difference between working with your back and working with your behind (I do not make the distinction between hand and brain work since we are all learning that white collar work is becoming less and less brain work). They know that they work harder than the middle class for less money.... nor is it simply.... status hunger that makes a man hate work that is mindless, endless, stupefying.

sweaty, filthy, noisy, exhausting, insecure in its projects and practically without hope of advancement.

The plain truth is that factory work is degrading. It is degrading to any man who ever dreams of doing something worthwhile with his life; and it is about time we faced facts. The more a man is exposed to middle class values the more sophisticated he becomes and the more production line work is degrading to him." (28)

Paul Tillich calls this a situation of estrangement. (29) Its most corrosive effect is to persuade the individual of the futility of participation. It promotes feelings of insignificance, loss of worth and inability to effect change. The individual is encouraged to turn to objects and immediate means of self gratification for solace. Questions of poverty and wealth, of exploitation and justice, cease to be existential questions. There is therefore less desire to seek answers, either of a theological, political or sociological kind. The world is likely to be reduced to a question of the purchasing power of money and its equivalent in terms of hours of sale of labour power - in short, wages and conditions.

In fact, where the process is more advanced, as in the United States and Japan, the pay and conditions are likely to be better than in, say, British owned companies and the differentials between highest and lowest wider. Rates of pay at Hewlett Packard and Burroughs were acknowledged by the workforce to be higher than average for the area or for comparable work for people of similar education and skills. The differences between highest and lowest rates of pay at the six factories, as perceived by the personnel departments, were as follows :

Hewlett Packard	8
Burroughs	7
Lemac	5
GEC	5
Maxell	6
Brother	6

The two American owned companies had the highest differentials. The different cultural attitudes to money were apparent even in branch factories remote from the centres of large corporations. Insofar as the wage payment system can contribute to employee cooperation even when people feel alienated from the work, it was clearly being used in this way by the two North American owned companies. Neither factory had had an industrial dispute (strike, go-slow, overtime ban, etc.), nor lost time due to labour unrest since its inception. Cooperation was being reinforced, conflict minimised. The estrangement of the individual at the place of work serves the immediate interests of the employer. Logically, any countervailing influence likely to minimise estrangement and reintroduce issues of a wider social significance, such as British style trade unionism, is unwelcome. In American corporate culture, conflict is channelled into maximising individual potential at the workplace. Hewlett Packard spoke of "recognition of personal achievements" (30) enabling people "to share in the company's success, where achievement is based solely on individual initiative, ability and demonstrated accomplishment". (31) Burroughs spoke of the opportunity to "fulfil your own personal goal." (32)

The treatment of wages and money indicated that grievance procedures at the two American plants and the two Japanese were concentrated in line management and had to be pursued by the individual

without representation. By isolating the individual employee in this way the threat of disrupting production as well as uncertainty in production were minimised. Yet again there was a basic cultural difference of approach in achieving what looked like the same end. The American way is to appeal to individual fulfilment; the Japanese way is to maximise awareness of obligation to the group (family). By all accounts obligation (giri) is an important concept for the Japanese. (33)

Without the Japanese cultural background, how successful will the Japanese be in sustaining the individualising of the labour force? Already there were signs that people were prepared, temporarily at least, to see the total labour force as a family. This was particularly easy during the start-up phase when there was a sharp sense of pioneering and everyone "mucking in". On the other hand there were indications that people were beginning to question the concepts of family and obligation, and to reinforce more traditional obligations to home and natural family, and the companies were themselves nervous of their ability to change attitudes and, in particular, sensitive to the possibility of employees wishing to restore a sense of collective obligation via trade unions.

Consultation

Participation as a form of cooperation is influenced by enterprise attitudes to trade unions. As already noted, no unions were recognised at the two American and the two Japanese factories, and concern and even alarm had been expressed at Brother over the possibility of unionisation without company control. At Brother there even seemed to be a reluctance to accept that the labour force had a legal right to join a union of its choice. At Maxell the senior Japanese personnel on site were considering recognising a union selected by themselves as a defence against secret recruitment of the labour force by a union perceived to be undesirable. They may also have feared that several unions would recruit members from the labour force, and present, in due course, a number of claims for recognition leading to a multiunion

situation or one in which the management felt their ability to control had been impaired.

Wickens claims that the issue of trade unions in Britain is a cause of alarm for incoming Japanese investors, but adds that "in the UK, potential investors' adverse view of British trade unionism is related to the whole movement and not just specific sections." (34) In the case of Maxell this did not appear to be true. Maxell had identified certain trade unions as "undesirable" on the basis of their perceived record of militancy. Maxell and Brother were also at odds with a further observation of Wickens, "Those companies that have gone down the non-representation road have made what they consider to be the right decision but they tend to be in the frontier technology sector where the nature of the staff they employ makes it less likely that they will wish to join a trade union anyway". (35) While both could fairly claim to be in the "frontier technology sector", the labour forces which they employed would normally be ripe for unionisation. They had, in fact, emulated Hewlett Packard who had also adopted this policy, but whose labour force did fit the description Wickens has in mind. The question for the Japanese companies would be, can the non-union position be sustained with a "low skilled" labour force? Maxell appeared to be having second thoughts, but both Maxell and Brother might arguably have sustained their position if they were convinced the majority of the labour force would be replaced within a period of about five years. In other words, the non-union policy at Brother and Maxell seemed to depend on a form of high labour turnover which was related to the hope that girls would marry and drop out of the labour market to be replaced by school leavers. This policy does appear to be conditioned more by practice in Japan than in Britain and may illustrate a Japanese reluctance to come to terms with a quite different cultural pattern of behaviour.

The most interesting case of the six in this regard is possibly Burroughs who, after working fully with unions at Cumbernauld for almost 30 years, set up a non-unionised plant employing a very similar type of labour force at Livingston. Clearly the company felt there was no role for unions in their plant. With an integrated grading structure and integrated pay structures, high levels of unemployment in the district,

flexible working arrangements, good pay and conditions in comparison to the district norm, the time had apparently come to cease recognising unions and to reinforce line management control and prerogatives. While there was some unrest amongst those interviewed, no one argued for union recognition. This, of course, is not to say that they did not want union recognition. More likely fear of job security was inhibiting them from speaking out for union recognition. Additionally, the factory socialisation process could be expected to be having a result in terms of individualising people, making them more economic than hitherto, and alienating them in the factory from wider industrial relations issues.

Where unions were recognised, as at GEC and Lemac, traditional forms of participation prevailed. Both factories had a structure of consultative committees and joint bargaining. At Lemac the structure had been allowed to fall into disuse and consultative committees had not met for almost two years. No one interviewed at Lemac mentioned the lack of consultative meetings or formal opportunities for consultation. Neither did they comment on the fact that they had seldom been consulted about their job, nor that they had never been asked for their opinions on a range of basic questions of common interest at work. To the external observer it would appear almost axiomatic that levels of cooperation might best be maximised by management at least being informed of worker opinions on a range of issues common to all the labour force. When interviewees were asked if their opinions were ever solicited on a variety of issues including industrial relations, work methods, the design of tools and jigs and product design, 64% of those interviewed at GEC, 53% at Lemac and 42% at Burroughs said they had never been thus consulted. Only two people alleged their views had never been asked for on these topics at Brother.

At GEC, Burroughs and Brother, of those interviewed, none claimed to have been consulted about product design. At Burroughs there was a suggestion scheme in place to which suggestions concerning product design could have been submitted. In practice, product design work was not carried out in any of the factories, nor at the Maxell factory at Telford. Product design was executed either at Coventry in the case of

GEC, or in Japan and the USA in the case of the two Japanese owned companies and Burroughs respectively.

Research and development was conducted at Hewlett Packard's South Queensferry plant and also at the Haddington factory of Lemac. In this respect, Burroughs, Maxell, Brother and GEC could fairly be described as "screwdiver" plants. It could be argued that Maxell and Brother in Japan saw themselves in an increasingly post industrial situation with blue collar jobs being exported to, for example, Britain, and high grade white collar workers being retained in Japan.

Hewlett Packard's R & D facility was probably determined by the type of technology which the market sector they served demanded of them. They were effectually under pressure to produce new products at frequent intervals for at least the requirements of a national market in telecommunications test equipment. To locate the R & D facility 3000 miles away in a different country would have been counter productive. It made economic sense, therefore, for Hewlett Packard to locate their R & D facility at South Queensferry. Maxell and Brother may have retained theirs in Japan for socio-cultural reasons as well as economic considerations.

In all six factories people were consulted about work methods. The percentage of those interviewed who felt thus consulted in each factory is shown in Figure 2.

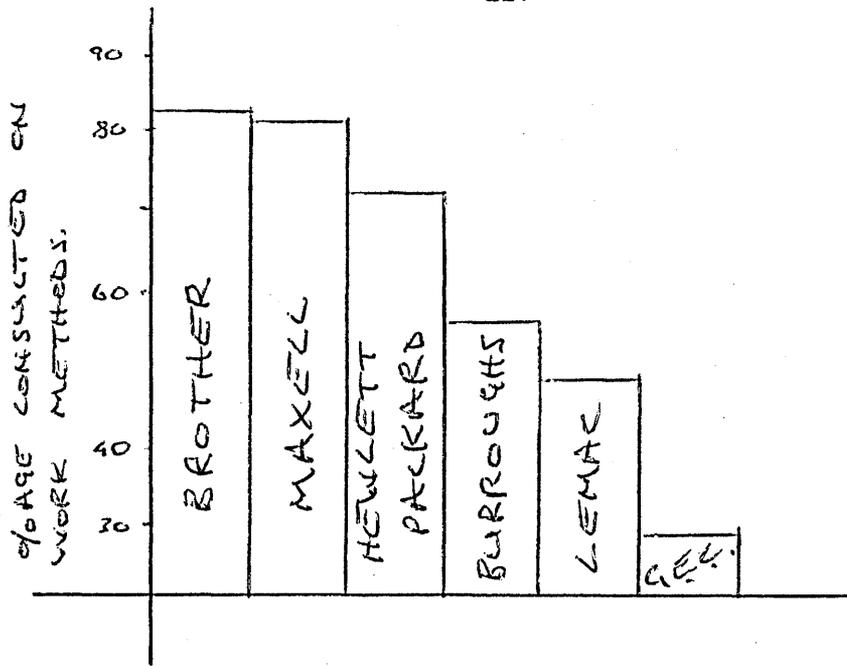


FIGURE 2.

Notice a very high proportion of young and inexperienced workers at Brother and Maxell felt they were consulted about work methods, and the way in which these proportions compare with the lower number thus consulted at Lemac and GEC.

In addition, there were many opportunities for informal discussion and consultation on a variety of topics at Maxell and Brother. Each day began with group briefing and from time to time supervisors and team leaders drew a section together for discussion about a common problem. It was a feature which White and Trevor also discuss at length although their conclusion may be a little simplistic.

"The conclusion drawn from them has usually been the need for greater participation by workers in corporate management. The evidence of this chapter leads in a different direction ; it points to the need for management to become involved in the system of production and to develop a sense of equality through the sharing of work disciplines."
(36)

From the current study it appears not to be a case of either/or, either greater participation by workers in corporate management, or "management to become involved in the system of production", but a case

of both/ and. When management becomes involved in the events on the production line, even young, inexperienced workers, feel they are sharing in managing the production process, and, to some extent, managing the assembly team effort. So one interviewee said "If there is anything wrong we sit down and talk about it."

Thus the employee appears to be the subject of at least two simultaneous processes. In the area of industrial relations and indirectly social politics, the employee is being individualised and privatised. In the area of the production task, he is being socialised into a team whose *raison d'etre* is to accomplish the task as quickly and effectively as possible consistent with minimising costs and maximising quality. Compared to "teams" of which the employee may be a member outside the factory, this team has a very specific and clear cut remit, demands total commitment during working hours, is almost entirely economic in terms of benefits and almost totally unrelated to the rest of that employee's existence. The connecting link is wages and there may be a number of negative effects on the rest of life because of additional hours spent at the factory and the interruption to social activities outwith the factory.

While this type of teamwork concept clearly has benefits for production in the short term, it further fragments the employee's life, substantially narrows any sense of obligation to the wider work group, and isolates the employee from the wider group consciousness in the workplace. It seems almost to be a reintroduction of a type of sectionalism based not on skill or craft, but on the production task. As such, this type of teamworking seems to have the potential for all the traditional negative outcomes for the employee and more than all the traditional advantages for the employer, for in this type of sectionalism earnings are related to production and not to skills.

Such teamworking represents a conditioning at the workplace which will always need to live in tension with the wider socialisation to which employees are subject. In Japan, for employees of large companies, much of that wider socialisation is also in the control of the large company. In Britain and the US, this has historically seldom been the case. It is therefore difficult to envisage employees of firms in Britain ever being "Japanised" in this sense. The Nissan (UK) threat to

Ford (UK) may therefore not be as great as is currently perceived and Ford's desire to emulate Nissan's working practices may simply be driven by the traditional desire to minimise costs and maximise profits.

The response to questions of consultation reveals important differences of attitude to employee contribution to the totality of the production process. It has been put very sharply by Mr Matsushita, who is reported to have told a group of visiting Americans and Europeans in 1979,

"We are going to win and the industrial West is going to lose out: there's nothing much you can do about it, because the reasons for your failure are within yourselves. Your firms are built on the Taylor model; even worse, so are your heads. With your bosses doing the thinking while the workers wield the screwdrivers, you're convinced deep down that this is the right way to run a business. For you, the essence of management is getting the ideas out of the heads of the bosses and into the hands of labour.

We are beyond the Taylor model: business, we know, is now so complex and difficult, the survival of firms so hazardous in an environment increasingly unpredictable, competitive and fraught with danger, that their continued existence depends on the day to day mobilisation of every ounce of intelligence: For us the core of management is precisely this art of mobilising and pulling together the intellectual resources of all employees in the service of the firm. Because we have measured better than you the scope of the new technological and economic challenges, we know that the intelligence of a handful of technocrats, however brilliant and smart they may be, is no longer enough to take them up with a real chance of success. Only by drawing on the combined brain power of all its employees can a firm face up to the turbulence and constraints of today's environment.

This is why our large companies give their employees three to four times more training than yours, this is why they foster within the firm such intensive exchange and communication; this is why they seek constantly everybody's suggestions and why they demand from the educational system increasing numbers of graduates as well as bright and well educated generalists, because these people are the lifeblood of industry. (37)

And P. Wickens, writing about practice in Nissan, says "Essential to this process is an acceptance on the part of managers and supervisors that they have no monopoly of wisdom on the best way of performing a task or on making improvements." (38)

There are basic cultural differences here that embrace questions of class and the status of different types of work as well as cooperation and conflict. Essentially, Matsushita is saying that the Taylor model is potentially conflictual. Endless subdivisions and specialisation multiply barriers which work against the overall interest of group activity.

At shop floor level this seemed to be apparent in the way which accumulated knowledge and experience often appeared to be consistently ignored and, particularly at GEC, Lemac and Burroughs, there seemed to be an assumption that the knowledge acquired by an operator using a piece of equipment on a daily basis was not worth enquiring after. Tables 50 and 51 show responses to two questions designed to illustrate this point and amplify the earlier argument (see page 215).

Table 50. Perceived interest in employee work activity. (Extracted from Table 42.)

"Are you asked to demonstrate or explain what you are doing ?"

	Maxell	Brother	Hewlett Packard	Burroughs	GEC	Lamac
Never	27*	41	50	58	47	68
Seldom	30	41	33	16	40	32
Often	43	12	17	26	13	0
Very often	0	6	0	0	0	0

*Percentage of those interviewed.

Table 51. Perceived interest in potential employee contribution to a selection of factory issues. (Based on Table 42.)

	Maxell	Brother	Hewlett Packard	Burroughs	GEC	Lamac
Are your opinions ever sought on						
Industrial relations	46*	29	50	0	33	0
Work methods	80	82	64	53	27	31
Design of tools and jigs	27	35	50	5	13	31
Product design	14	0	50	0	0	25
Never asked	0	18	11	42	64	53

* Percentage of those interviewed.

One of the older employees at Lemac said "My opinions are never asked for on product design. There are times when I tell them how the job could be improved. Sometimes they listen and make changes.

Sometimes they don't. Sometimes I take advantage of the fact that I am a woman and I bug them rotten. This gets results."

This comment taken with the views of Wickens and Matsushita must surely form part of the socio-cultural argument for quality circles, briefing groups, etc. While all these concepts have an obvious advantage to the employer, people at work also feel the need to improve the quality of what they are doing. D. Wallace Bell, the Director of the Industrial Participation Association, reflecting on a visit to Japanese industry in 1986 said, "Employees (in Japan) seemed to welcome the opportunity to do something about aspects of their work which seemed irksome and inefficient." (39) In this regard employees in all three sets of plants appeared to be like minded and in tune with attitudes in Japan. The differences were coming from the employers. The rigidities of the British system of training and industrial relations seemed to have produced managers who were unable to tap into this resource of information and intelligence in the blue collar labour force. Perhaps a contributory factor here was that British managers in GEC and Lemac had begun worklife on the shop floor, as managers are said to do in Japan, but with one major psychological difference. The managers at GEC and Lemac had begun with little or no recognised direct advantage over their peers(40). They had attained management status largely as a result of studying for technical qualifications (ie., ONC, City and Guilds, HNC, see Tables 12 to 14.) Whilst doing so they had been conditioned to think of the manager as set apart largely on the grounds of leadership, knowledge, and commitment to the firm.

In Japan, managers begin their training on the shop floor but as trainee managers in a dependency role with respect to the shop floor. This seems to produce a manager with a heightened and continuing sense of respect for shop floor skills even when he is in the position of teaching, instructing and correcting as seemed to be the case with the Japanese technicians at Maxell and Brother. It seemed to produce a less one-sided relationship than was apparent, for example, at GEC. Secondly company conditioning in Japan seems to have been more successful than in Britain, in producing the view that all are committed to the enterprise (at least all core members) and not just managers.

The Consultative system in the six factories

Peter Cressey observes that the employers preferred term for the area of interest of this section is participation. Of the three "broad camps" of participation identified by Cressey, interest in this section focuses on one; "workforce involvement in management decision making below board level".(41) Some points of the second; "involvement in the issues surrounding the job, job satisfaction schemes, job enlargement, work humanisation, etc., (42) will be dealt with in Chapter 6. The third; "workforce involvement in the planning of corporate strategy, in setting the general objectives of the enterprise"(43) does not figure at all in the current study since it appeared to be absent in all six factories

At Hewlett Packard's South Queensferry factory there were no formal structures for participation and consultation. There was no works council, no consultative committees, and trade unions were not recognised. There were regular departmental meetings chaired by the supervisor and, once a week, the manufacturing manager met with a complete department in a question and answer session. Despite the lack of "the familiar landmarks of industrial relations" (44) there was a widespread feeling of a high level of participation in decision making amongst employees. This awareness was no doubt substantially supported by the "management by objectives" technique.

It could be argued that the regular setting of goals and their review is a form of sharing in the decision making process. De facto it is tantamount to a form of self management and is likely to contribute to employee autonomy and the entrepreneurial spirit. "People are happy here not because they can compare it with a previous employer. I have forgotten what it's like to work for other companies. Here I am given responsibility to do the job my way. I think this kind of freedom is more important than anything else.", said one employee.

There also appeared to be a high level of informal consultation. One research and development engineer said "Industrial relations is quite highly rated here. My own project leader is in the habit of asking the team what they think about his handling of the project."

Here a "superior" was asking "inferiors" in the system for a comment on his performance.

At Burroughs there was a system of monthly departmental meetings chaired by the departmental manager. "We are extremely conscious of the need to speak with our people on a regular basis" said the Human Resources Manager. "Generally the department manager or supervisor chairs the meetings but traditionally if someone like myself went along I would end up chairing the meeting because that's the way it tends to go. The meetings really are intended to be more of a two way exchange between the local management and their people, with HR there to answer specialist type questions. Very often it isn't necessary. I think the important thing is people get a chance to put questions to the relevant people. The employees see this as an opportunity to do that. Very rarely is there any restriction on things that come up. We encourage employees to raise issues that are relevant to the whole group rather than personal or individual issues, which really we encourage them to take to their local supervisor, manager, or if it's a personal issue, to take it to HR on a regular day to day basis."

This perception of the role of consultation was almost identical to that at Hewlett Packard, where the Personnel Manager said, "We very much take the view that the most important resource is the people and we would underline that strongly. And as such we give responsibility to managers and supervisors to be responsible for the person's performance, training and general well being. If a person has a personal problem, where appropriate, he should raise it with the supervisor, or if it's inappropriate, the next level supervisor, a senior manager, or personnel, general manager. We don't have a body as such."

In Burroughs there ought to have been ten departmental meetings but in 1985 only two had been convened. "We do not let them slip by" said a female assembly line worker, implying that in her section they were able to apply enough pressure on management to continue the meetings. Another said "We could do with more frequent meetings but only if there's something to talk about." There was no mechanism for representation since everyone in the department was expected to attend. Any issue could have been discussed, including pay levels. The Human Resources Manager added "There are no informal group meetings in the

factory. We operate an 'open door' policy. If anyone wants to see me they can come and do so, provided they have the courtesy to inform their own manager first. We encourage them to speak to their local supervisor or management in the first instance on an open door basis, so that any grievances or any problems they have can be hopefully addressed. Now, if it's a personal issue, as long as they tell the manager they want to come down to Human Resources, we'll usually accommodate them. The name of the game is to encourage people to talk to any of the company's representatives, supervisors, managers, HR, even activity head, rather than sit there in a corner feeling nobody's interested."

A number of employees felt strongly about the demise of the monthly meetings. "With no trade unions it's our only chance to get a say" said one. The cessation of the monthly meetings was clearly contributing to a lack of knowledge of practice elsewhere in the factory. One packer did not realise that most of the meetings had failed to convene for some time and thought that the failure of the packing section meeting was peculiar to that section, and due to the inordinate and, hopefully, temporary pressures of work. Other people in other areas gave the same reason for failure to convene a meeting in their department. Most people, however, understood these meetings, not in terms of participating in the running of the factory or the improvement of efficiency etc., but as a forum in which to air grievances. Clearly there was a feeling that these were better expressed with the support of fellow workers than in the one to one relation with a supervisor or manager. One employee said "When the factory started at first they organised group meetings with there not being a union, where a manager took his group monthly and gave them the opportunity to air any points. Some departments ended up calling them grouse meetings or gripe meetings or greeting meetings. These were group meetings and supposed to be constructive, and to give people an opportunity to talk to their manager and to the personnel. Since we've become the size we are, communications have collapsed in a lot of areas. There are some meetings erractly. In other departments meetings are only held when people get so fed up they want to meet the manager". Half of those interviewed at Burroughs said their opinions on a range of issues

including industrial relations, product design, work methods etc., were never asked for. (45)

At Maxell there was a Members Council to which employees were elected by ballot. It met once a month and was chaired by the Japanese Administration Manager. (46) Any issue could have been discussed except wage levels. There were frequent informal meetings throughout each working week between supervisors and line operators. Each morning, after exercises, a brief meeting was held at which the previous day's production and the task for the current day was briefly discussed. This meeting was described by the Personnel Manager as follows:

"If there's anything happening, B will talk to the members in production, I'll talk to the members in administration, just after exercises. It's one time when everyone gets together. OK, B may have to come in at six o'clock to talk to some people or he may pass it on to the shift leaders, but that's a time when we hope everyone's together, so if there's anything we want to say, perhaps who's come in, or what's happening or anything, then it's an ideal opportunity to do it. So we do use that for announcements, just to keep people informed. Right from the word go we have emphasised communication..... At the moment it's small enough to still be able to do that. There could be a problem as we get larger. We can tell people face to face. If something isn't going to be popular we can get that feeling back straight away." People said their views on production methods and industrial relations were often solicited by their supervisor but there was no opportunity to contribute to product design.

At Brother there was no formal structure of consultation, no committees, departmental meetings or works council. The lack of formal structures of participation accorded with John Pinder's comment in the foreword to White and Trevor's study, where he writes "There is also surprisingly little emphasis on participation, in any formal sense, in Japanese firms' subsidiaries in the United Kingdom....." (47) As at Hewlett Packard, trade unions were not recognised. Soon after the factory opened, section meetings without exercises were held each morning, but these had been allowed to lapse. There were very occasional group meetings to discuss improvements to the work environment, including the cleaning of work areas and toilets. At the

Brother factory all those who earned overtime clocked in. Relations between management and labour force at the Brother factory did not therefore appear to be in the same high trust category as at Maxell.

In contrast to the other four factories, GEC had a traditional British consultative system. There was a Works Committee to which worker representatives were elected by ballot. In practice, trade unions supplied candidates for these elections and these candidates were almost always successful. At one time the Works Committee met monthly, but from 1984 to 1986, the meetings had been allowed to lapse. The joint shop stewards' meeting convened regularly every month. At the Works Committee any subject could be placed on the agenda except wages and profits. There was plant level bargaining over wages and conditions and five unions were recognised for the purposes of negotiation. Both the joint shop stewards' meeting and the Works Committee meeting were chaired by the General Manager. In addition there were weekly meetings between managers and link controllers, those who fed work to line operators. At these meetings questions of production and efficiency were discussed. Despite these opportunities, there was a feeling amongst employees of a lack of consultation. A maintenance fitter said "The management needs to accept that we are here. Very often they don't try to work with the labour force." Few people were consulted on issues of production methods or industrial relations. (48)

At Lemac, staff and shop stewards met every two months. There were no other meetings. Two unions were recognised for bargaining purposes and there was plant level bargaining over wages and conditions. As at most of the other factories, few people felt consulted over a range of work related issues. (49) Despite the lack of formal structures, there was a general appreciation of the difficulties facing the factory, of the concern of the Managing Director, and a sense of participation, if not in the decision making, certainly in the overall functioning of the factory. "I have a lot of respect for Mr A (the managing director)", "I have had occasion to go higher than my supervisor because of the poor quality of work I was getting. In fact I went straight to Mr A and I got results." These were two of the comments made by a number of employees.

Experience at Lemac, however, may indicate that levels of participation and consultation actually experienced are independent of formal structures. This also seems to be the Japanese point of view. Levels of participation and consultation at Lemac seemed to be influenced by the length of service of many of the employees, which was long in comparison to, say, the young workers at Maxell. The factory had been through a difficult period and this may also have contributed to what Cressey calls a form of "lifeboat democracy". (50) For a period there was an awareness of everyone "mucking in" to save the factory. The personality of the Managing Director may also have been a factor. In short, the crisis at Lemac had induced a micro-cultural atmosphere within the factory that had led to an ethos not unlike that which had prevailed during the opening months of Maxell's plant in Telford. It had induced inordinate levels of informal consultation, assisted by a tolerant management style. Very similar conditions existed at GEC, an uncertain product market and little formal consultation involving shop floor workers. Much of the management style at GEC, however, differed from that at Lemac. There was a section of younger more abrasive managers, eager to "turn the factory round" and perceiving this in terms of a personal crusade rather than a collective effort involving everyone. At this point Protestant individualism appeared counter productive. An essentially "religious" view of the problem of continued production was adopted by individual managers. The problem was perceived in terms of a factory in need of "salvation".

Salvation calls for inordinate levels of personal commitment and sacrifice. Other individuals who are clearly not sharing in the "sacrifice" tend to be despised. Their lack of commitment is interpreted as a reflection of their agnosticism. They are not convinced of the intrinsic beneficence of the organisation, its ability to endow participants with wealth and job security. The management/worker divide is akin to a clergy/laity divide and, as so often in the Church, maximising cooperation and joint endeavour is seen fundamentally as a problem of communication. If the workers only realised the potential for personal material growth locked up in the factory, they would commit themselves as fully as the managers and to the ends and means of capitalist production. This conviction also

seemed to be shared by managers at Burroughs and appeared to be the impetus for the Human Resource Manager's concern to "speak with our people".

Theory X(51), which is a secular explanation of the same phenomenon of dwindling commitment, ignores the drive to improve communications. Hewlett Packard operated a Theory Y type organisation. "Organisation structures and work roles inspired by this approach are designed to release this potential (for accepting responsibility) : remove obstacles to 'personal growth'; rely on self control and self direction as against external control; encourage creativity; and promote participation in decision making." (52) In contrast to the older European Christian dichotomy between clergy and laity, Hewlett Packard seemed to manifest the more democratic ethos of American Protestant asceticism. Ultimately, the factory population was a congregation of individuals, equal before the "powers and principalities" associated with the market. It was in everyone's interest to be responsible and to set personal growth targets that were perceived to be consistent with the growth of the company.

Even the two Japanese factories indicated the essentially religious nature of capitalism. Both had adopted a quite different form of participation from that in the four other companies. It was a form consistent with their hierarchic, family type structure and was essentially founded on continuous dialogue between manager/supervisor and labour force, and between any two or more groups of people within the total production team. It thereby reflected an ostensibly less class dominated ethos of a society whose roots are in a synthesis of three Eastern religions, one of which (Confucianism) has bequeathed a legacy of social structuration based on age and family. (53)

Specifically, the tendency to continuous dialogue betrays the essentially Buddhist bias to a metaphysics of process rather than the Aristotelian bias to a metaphysics of substance. The process and those involved in it, take precedence over any product consciousness. Indeed, the product for this type of thinking is never an end per se, but always part of the process. Incidentally, this seems to give to the totality of Japanese production a fluidity and an atmosphere of being at ease with change, that so often appears to be missing in the West. In

some respects the system of consultation at Hewlett Packard looked very similar to those at Maxell and Brother. At Hewlett Packard, however, the system was dictated by the nature of the product and the type of labour force needed to produce it. The research and development function was crucial, significant in size compared with all other sections, and an integral part of the factory's daily operation.

Altogether the question of consultation in the six factories has much to contribute to perceptions of team working especially as these were effected at Maxell and Brother, but also in the modified forms of team working at Hewlett Packard and Burroughs. First it is clear that team working eliminates the need for traditional formal consultative structures embracing departments and sections, and including trade union representation. Having narrowed the concern of team participants to questions related to the team's production task, information can be equally confined to suit those concerns. The briefings after morning exercises contained information of the type, what went wrong yesterday and how can it be put right today.

More radically, team working uses as a model, concepts found in the armed forces. This was openly acknowledged by at least one supervisor at Brother. As in the armed services at least three consequences seem to follow. Any desire for industrial democracy is pushed down the agenda of concerns for team members. Likewise the desire for trade union representation and recognition is also suppressed. Thirdly, team working seems likely to exploit natural competitive and macho instincts, particularly in male employees, for the benefit of enterprise profitability.

Management in the 6 Plants

In the Japanese cultural tradition the world is essentially an arena for the interaction of man and nature. All existing subjects and objects are ascribed being. (54) The outright anthropocentrism of Western civilisation is replaced by a world view in which everything that is shares in being. Paul Tillich drew on this tradition to link Eastern

and Western thought by suggesting God as the ground of all being, as being itself. (55) In this regard he is aided by the essentially Greek distinction between being and existence. If there is a basic difference between East and West it is that the former emphasises being and the latter, existence. By emphasising being, Japanese capitalism can escape the anthropocentrism that introduced the fundamental deception in Western capitalism which persuades companies to say that they put people first, when in practice they they must do as everyone must do, and put the task first. In this sense, Dore's contention that capitalism is converging to the Japanese form could well be correct. (56) As global competition increases, the 'people first' hypocrisy is likely to come under increasing pressure and 'task first' to predominate. The change in management attitudes alluded to by employees at Hewlett Packard (57) could well be a current example of the shift in priorities. Logically it is to be expected that this will be the direction in which capitalism will move. The demands of the market will probably oust old cultural ties with an anthropocentric Judeo/Christian ethic. Japanese management therefore does not see itself primarily as the "stewardship of personal resources". Its primary goal is the production task. In a sense the first need of the labour force is not management but a task to accomplish. Managing the task in hand is the first priority. This is in fact apparent in the statement of one employee at Maxell who said "They are participative, due to the whole structure and philosophy they believe. They make no bones about it, workers are a happy family. If we do start having problems which may get out of hand a bit, they will step in and try to put it right. The emphasis is on us. If we are not pulling our weight - perhaps weight is not the right word - they will subtly make it clear."

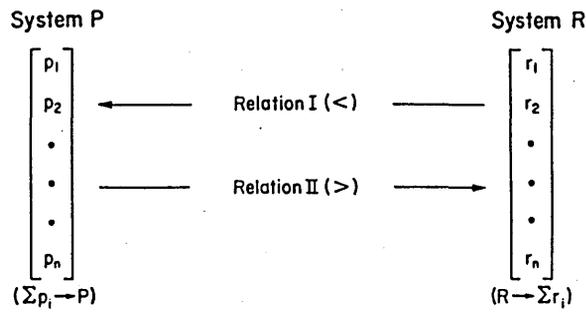
Managing people is achieved indirectly by directly managing the the production task. Under this system more is probably demanded of managers than of operators. Managers at Maxell and Brother were observed working from 5 to 8 at night on paperwork, after spending most of the day on the shop floor supervising production. Once production had been established, after the factory had been built and people trained to run the production lines, few managers of this type were needed. At Maxell and Brother there was only one British production

manager in each factory. His immediate supervisor was a Japanese accountant. He, in turn, reported to a Japanese plant manager, who was responsible to the Japanese managing director. This thin management line was served by a team of Japanese technicians, a British personnel manager, an administrative manager and stores and office personnel.

Normal production concerns often seemed to be pushed down to supervisor level. They, however, earned overtime payments. In other words, Maxell and Brother did not feel the same moral compunction as Burroughs to state that "we are essentially and fundamentally a people oriented business". (58) They were a task oriented business. This, in fact, is more logical and honest. Enterprises do need to accomplish tasks in order to survive.

In practice, this is common knowledge. The North American companies were responding to cultural mores influenced by Western morality that ostensibly places people at the centre of all concerns. The Judaeo/Christian tradition tries to avoid the basic anthropomorphism by substituting God for man at the centre, and struggles to delineate the qualitative difference between them. In the end of the day it claims no proof is possible and that only existential commitment to the concept is sufficient to convict people of the veracity of the belief. (59)

Secondly, the Japanese company is not seen primarily as a number of jobs filled by a number of people, but a set of people looking for roles. That is, the people in the organisation dominate the roles. In the West, the set of roles needing to be fulfilled is paramount. Sasaki calls the latter, Relationship I and the former, Relationship II, and says, "In order to understand Relationship II a drastic inversion of Western value criteria is necessary". (60) Schematically the relationship between the two systems can be illustrated as in Figure 3.



Human system and role system.

In Relationship I, System R dominates System P, as is indicated by the direction of the inequality sign in parentheses. Here the role of the firm is partitioned into individual roles for the individual member of System P ($R \rightarrow \sum r_i$), and each individual role r_i demands a person p_i who is expected to perform the role. The acceptance of r_i by p_i is a contract.

In Relationship II System P dominates System R. A set of people is formed ($\sum p_i \rightarrow P$) which then explores what it can or should do. Although the result is the same in that p_i performs r_i , the boundary of the individual roles is vague. This relationship can be described as *gemeinschaftlich*.

In the West, Relationship I is prevalent, and in Japan, Relationship II.

FIGURE 3.

The real importance of this model is that it further contributes to an understanding of the two chief aspects of working practice at Maxell and Brother and to a lesser extent at Hewlett Packard and Burroughs, viz., flexibility of labour and team working. R II gives further support to a number of so-called "Japanisation" practices, namely, a no redundancy policy and associated team working, product diversification, especially in Japan, and of course, elimination of traditional British demarcations, and thus flexibility of labour. R I, which begins with a set of roles, is likely to lead in precisely the opposite direction.

Continuing with the analysis, at Brother only 29% of those interviewed described the management style as "participative". 41% of those interviewed felt the management style to be 'authoritative' but by this they meant that managers and supervisors were essentially issuing orders that had to be obeyed - overtones of militarism. The British members of the management team seemed to be much more

obtrusive than at Maxell, indicating not so much traditional Japanese management authoritarianism at work, but an overt decision of senior Japanese management to allow the management function to be British rather than Japanese.

At neither Japanese factory was there evidence of the individualisation of the labour force that had taken place at Hewlett Packard. On the contrary, as already noted, operators in Brother were organised in teams, and at Maxell had been encouraged to see themselves as members of one family. In addition, the hierarchical structure of the labour force was overtly recognised. There was no attempt to delude people into thinking they were participating in decision making when they were not.

At Maxell the management seemed to have been fairly successful in persuading the labour force that there was no basic division between manager and supervised worker. They had achieved this by job rotation, by uniformity of conditions and by persuading everyone to see themselves as 'members', whilst, in practice, the two basic differences remained, overtime payments for some, and wage differentiation. Only the two British factories made no attempt to obscure the differences. The Japanese factories, like the two North American ones, from a Western cultural point of view, effectually attempted to deceive the labour force into believing they were an homogeneous group.

The cultural history of the 'labour issue' in Japan is sufficiently different from that in the West to allow the Japanese a greater potential for success in obscuring it. The concept of the economic family which exists within a recognised hierarchical and patriarchal framework is important in this respect. The role playing aspect of human existence (62) serves to perpetuate and reinforce the social framework. The Japanese company collectively is a micro-model of wider Japanese society. Despite the Meiji Restoration, Japanese society seems not to have experienced the bourgeois revolution that changed European and North American social norms to produce the pluralist hegemony that exists in modern Britain and contemporary North America. A tiny indication of the unitary and patriarchal approach has already been noted in the form of the Japanese Managing Director's practice at

Maxell, of determining small details of personal behaviour amongst employees.

Conclusion

The question with which this chapter began was that of the influence of the culture of the owners and managers on employment practice in Britain. The physical environment in the foreign owned factories seemed to contribute to a feeling of togetherness, and of awareness of belonging to a specific and even elite manufacturing group, commonly called a "family" by the Japanese. The shape and appearance of the building, the wages systems, profit sharing schemes and welfare provision all assisted in locking employees into the company.

In keeping with American cultural mores, the two American companies tried to bind employees into a collection of self fulfilling individuals while the Japanese tried to bind the employee into a 'family'. More importantly, these relationships were set within the nexus of relationships between the provisions of working conditions, attitudes at work and perceptions of management

Normally the provision of good working conditions would be expected to lead to attitudes at work thought to be constructive and helpful by management. Perceptions of management must be correlated to management views of the labour force. In Maxell, where the young labour force appeared to be treated humanely, decently and with some sensitivity, perceptions of management were generally positive. In GEC, where there appeared to be a tendency on the part of some managers to treat the labour force as unruly children, worker perceptions of management were poor. In turn, GEC management attitudes as in any capitalist enterprise, were conditioned by what Ackroyd et al call the "articulation of the forms of capital." (63) The "structure of capital" (64) i.e., its impending possible withdrawal, was pressurising management at GEC into a personal and individual response to the crisis.

It could be argued however, that capital and its deployment are functions of the market. The market influences management behaviour and

the provision of working conditions and therefore ultimately attitudes at work. The Japanese seem to have acknowledged this by their traditional emphasis on company growth and market share. In other words they have made capital serve the market. In that sense they are not capitalists but marketeers rather like the early Quaker industrialists in England who made capital serve production and working conditions. A probable reason for this approach in Japan is a latent but thinly disguised nationalism and sense of natural destiny as a world leader.

In other words Ackroyd et al's conclusion that "..... the most important processes are not what Japanese firms are doing in this country but what British firms themselves are doing and attributing to Japanese practice" (65) may be adequate at the narrow industrial relations and business level, but would be dangerously facile at the wider cultural level, for Japan now looks to a world of an "equilateral triangle of forces of itself, America and Europe" (66)

The relationship between, provision of working conditions, attitudes at work and perceptions of management is dictated by the international production and consumer market, which in turn is controlled by cultural values, (some might say the lack of cultural values), even when these "values" may simply be the fear of being small and weak rather than big and strong.

Notes to Chapter 5.

1. Based on a definition by S.Vago in "Social Change", Holt, Reinehart and Winston, 1980, p24f.
2. J.Tann, "The Development of the Factory", London, 1970, p149.
3. Kraemer, Sieverts and Partners, McGraw Hill, 1977, p9.
4. A.Giddens, "Sociology. A Brief but Critical Introduction", Macmillan, 1982, p110.
5. Ibid.
6. See Chapter 3.
7. S.Crowther and P.Garrahan, "Corporate Power and the Local Economy", Industrial Relations Journal, Volume 19, No.1, Spring, 1988.
8. Hewlett Packard, "Statement of Corporate Objectives".
9. P.Cressey, "Participation in the Electronics Sector: The Comco Case Study", Centre for Research into Industrial Democracy, University of Glasgow, 1984, p27.
10. W.Ouchi, "Theory Z", Addison-Wesley, 1981, p50.
11. Ibid.
12. A.Giddens, op. cit., p110.
13. P.Cressey, op. cit., p28.
14. Ibid.

15. P.J.Turnbull, "The Economic Theory of Trade Union Behaviour: A Critique.", British Journal of Industrial Relations, Volume 26, No.1, March 1988, p106.

16. Ibid., p107.

17. See Table 38 where employees at Maxell and Brother consistently rated themselves 'higher' than their actual social position in the company structure.

18. See Table 37 where employees at Maxell and Brother are prepared to work some unpaid overtime.

19. E.Bellamy, "Equality", Heinemann, 1902, p49f.

20. Thurley and Pinder in the foreword to M.White and M.Trevor, "Under Japanese Management", Policy Studies Institute 1983.

21. D.Bell, "The Cultural Contradictions of Capitalism", Heinemann, 1976.

22. See R.Mouer and Y.Sugimoto, "Images of Japanese Society", KPI., 1986, p179.

23. Burroughs "Employee Handbook", p2(vi).

24. P.Clecak, "America's Quest for the Ideal Self", Oxford, 1983, p205.

25. H.Cox, "The Secular City", SCM., 1967, p150.

26. H.Cox, op. cit., p152.

27. H.Swados, "The Myth of the Happy Worker", New York, 1962, pp116-117.

28. Cited by E.H.Mizruchi, "Success and Opportunity, A Study of Avarice", Free Press of Glencoe, 1964, p150.

29. P.Tillich, "Systematic Theology", Volume II, Chapter XIV, Nisbet, 1964.
30. Hewlett Packard, "Statement of Corporate Objectives".
31. Ibid.
32. Op. cit., p1(i).
33. See eg., R.Benedict, "The Chrysanthemum and the Sword", Boston 1946, p70.
34. P.Wickens, "The Road to Nissan", Macmillan, 1987, p128.
35. Ibid., p134.
36. Op cit., p.52f.
37. K.Matsushita, in "Off the Cuff", Tokyo, 1979.
38. Op. cit., p88.
39. D.Wallace Bell, "Return to Japan", in Industrial Participation, Summer 1986, p9.
40. See P.Wickens, op. cit., "The most common route for senior production personnel is to have worked their way up from the shop floor, having left school with few formal qualifications". p62.
41. Op. cit., p89.
42. Ibid.
43. Ibid.
44. Ibid., p15.

45. See Table 42.

46. See Chapter 3.

47. Op. cit., pxii.

48. See Table 37.

49. Ibid.

50. P.Cressey, "Work Ideologies: Prospects for Participation", in "Will the Future Work", eds., H.Davis and D.Gosling, Geneva 1985, p90.

51. See W.Ouchi, op. cit.

52. A.Fox, "Beyond Contract, Work, Power and Trust Relations", Faber 1974, p40f.

53. N.Smart, "The Religious Experience of Mankind", Collins 1969, p200.

54. See J.R.Precker, "Japan in the 21st. Century", "Speaking of Japan", October 1985, Volume 6 No.58.

55. P.Tillich, "Systematic Theology", Volume 1, Nisbet 1964, p182.

56. R.Dore, "British Factory-Japanese Factory", Allen and Unwin, 1973, p10f.

57. See Chapter 3.

58. Burroughs "Statement of Human Resources Philosophy".

59. J.MacQuarrie, "An Existentialist Theology", SCM, 1960, p193.

60. N.Sasaki, "Management and Industrial Structure in Japan", Pergamon 1981, p60.

61. Ibid.

62. See eg., R.Mouer and Y.Sugimoto, op cit., p305f.

63. S.Ackroyd et al, "The Japanisation of British Industry?", in Industrial Relations Journal, Volume 19, No.1, Spring 1988.

64. Ibid.

65. Ibid.

66. Adrian Hamilton in the "Sunday Observer", 8th. May, 1988.

CHAPTER 6.

ISSUES OF CULTURAL INTERACTION.

"The best firms link their purposes and ways of realising them to human values as well as to economic measures like profit and efficiency."Pascale and Athos.

Cultural Interaction.

The second question of the programme is now examined, viz., how much, if any, of the culture of the employers is absorbed by the indigenous labour force and the second objective, to compare the effects of Japanese and American enterprises in Britain and the induced or influenced work attitudes of British employees. The importance of the question has been underlined by the recent wave of Japanese investment in Britain. It has been highlighted in a way that was not found necessary while the foreign industrial investors shared a culture that had common roots with British culture, eg., France, Italy and of course, the USA.

The Japanese investor brings a qualitatively different culture that presents problems both for the host labour force and incoming Japanese personnel. Nachiro Amaya, a former vice minister of international trade and industry, said in a recent Financial Times report, "The most difficult thing about industry becoming international is the big cultural gap between Japan and the other countries." (1)

Guy de Jonquieres in whose article the above quote arose, said, "Due to growth of overseas direct investment and of alliances with partners abroad, many Japanese companies are suddenly being forced to take account of a much wider range of international influences than ever before. In the process their sense of distinctive cultural integrity, until now a keen spur to the national competitive effort, is emerging as something of a hurdle... Furthermore in many Japanese plants overseas, the learning process is mostly one way. Usually it is the local workers who are required to adapt to models for organisation, working methods and labour relations already firmly established by the parent company in Japan - not the other way round." (2) The current study has already shown that this is happening in Maxell and Brother, but it is no new phenomenon. A process of cultural interaction has been going on for a much longer period in the American owned plants.

How robust is the host culture? Observation seems to indicate a willingness on the part of blue collar workers and some white collar workers to adopt what appears to be the more superficial changes, eg., morning exercise to Japanese music, only for a period of time. After the

first year it was already becoming apparent that some people were not prepared to accept this for the rest of their working life. Some of the more important but external or structural impositions were being accepted, eg., open plan working and single status working. Probably the most important area is that of internal organic commitment to a changed cultural environment. Here the signals were perhaps more conflictual and the task of assessment more difficult.

Out of the width and diversity of the culture of the employers, a selection has been made to narrow the scope of that culture to features likely to be important in industrial relations. Four themes, motivation, loyalty, job satisfaction and democracy, have been selected for a number of reasons.

They are themes which arise strongly from the stereotypical view of Japanese industry in particular. The Japanese employee of a large company is alleged to be highly motivated, loyal to the firm, and "happy" at his work. While stereotypically, Japanese industry may not be democratic, nevertheless it is alleged to be enjoying a participative system of decision making and high levels of information sharing. Likewise the stereotypical view of North American industry suggests good levels of communication throughout large companies, an elimination of a number of traditional demarcations found in British industry, and a general air of egalitarianism symbolised by the widespread use of first names. How accurate are the stereotypical pictures of Japanese and American business and to what extent are the above mentioned features being transposed to the British factories of Japanese and American multinationals? The interview schedules were designed to test the presence and strength of these features, to explore the methods being used to induce them, if induction was in fact taking place, and the resultant effect on the British labour force.

Furthermore, at a time of high unemployment and changing work patterns how have traditional British employee attitudes to these themes changed with the impact of American and Japanese management practices?

Motivation.

One of the enduring values of Maslow's(3) work has been to show that motivation is not merely a result of immediate material interests, but of self interest at a more profound level. In Maslow's widely read study of motivation where he suggested a hierarchy of needs as the basis for motivation, he postulated five basic needs, not entirely mutually exclusive, "physiological", "safety", "love and belongingness", "esteem", and "self-actualisation".(4) Using his analysis as a framework, it is clear there are cultural differences at work in terms of a different approach to industrial relations on the part of each of the three pairs of factories and, to some extent, amongst all six factories.

The state, and many employers in Britain, provide for Maslow's basic physiological needs and the need for safety. For example, there was no evidence that earnings in any of the six factories were so low that some employees needed assistance from social security.

Given the stereotypical emphasis on belonging to the company in North America and particularly in Japan, Maslow's need to belong as a basis of motivation, is examined in the six factories of the study. This need is dealt with in a variety of ways. Maxell and Brother insisted on every employee being known as a "member" of the company. In normal Western usage, a member of a company is one who owns stocks and shares in the company. In this respect the Japanese faintly echo a Marxist thought that the employee is also a shareholder by virtue of his labour power invested in the enterprise. (5) More recently there have been signs that individual shareholders in Japan are expecting higher returns on their money. "The controlled financial system in Japan, which was for so long used by the government to provide cheap long term finance for industry, is already being liberalised and is likely to be liberalised further, as more individual investors demand better returns on their money."(6)

On the other hand these demands may be in turn modified by pressure on shareholders in America and Britain, to accept lower rates of return.(7) Certainly the Japanese appear to take the view that

shareholder interests are not necessarily paramount, though important. (Shareholders with at least a 3% stake can ask a court to force the resignation of a company director.) (8) The composition of shareholders in Japan is different from that normally found in the West. In the West shareholders are likely to be individuals and financial institutions, whereas in Japan they are more likely to be associated companies. (9) Table 52 shows Sasaki's list of company shareholders in Mitsui Toatsu Chemicals. (10)

Table 52. Company Shareholders in Mitsui Toatsu Chemicals.

Company Name	Ratio of the stocks owned by MTC.	Employees number.	Number of Directors.
Toyo Engineering	60	1,198	16
Kanto N.G.Kaihatsu	85	187	6
Toyo Gas Chemical	50	310	8
Osaka Petrochemical	50	274	16
Nippon A. Aluminium	75	55	6
Mitsui Toatsu Warehouse	98.6	26	5
Shintomi Transport	99.3	110	3
Orient	100	266	4
Toyo Fibre Glass	100	88	3
Senhoku Hydrogen	50	13	8
Anjo Plastic	50	65	6
Sansei Chemical	93	145	10
Toyo Kosan	100	53	6
Toyo Service	100	20	4
Sanshin Sangyo	83	52	9
Toyo Sports	50	13	5
Toyo Colouring	100	35	4
Other 40 Companies.			

Source: Kigyo Keiretsu Soran, Toyo Keizai, Tokyo, 1974.

Their immediate interest is not profit but turnover and market share. (11) "Until recently, the only league tables of Japanese companies that mattered were those that showed the size of company sales, their sales growth rates and their market shares." (12) A contributory factor here is the seniority wage system. "Simple arithmetic easily verifies that under the seniority wage system, the higher the growth rate the lower the unit labour cost." (13) Company growth is more likely to coincide with employee interests in company size. The bigger the company in Japan, the more its social status, and the greater the perceived job security. "The more a company makes of a thing the bigger the company becomes, and the bigger it becomes, the better respected not only the company but also the employee will be." (14)

By encouraging company employees to see themselves as company "members" and part of a company family, Maxell and Brother at the same time encouraged employees to see themselves as stakeholders, not by virtue of shares owned but through their labour power invested for the good of the company. Japanese ideas on the nature of the company can be traced back through the merchant houses to at least feudal times. The social structure included the Emperor and his family but was effectually dominated by Shoguns and their subordinates, the Daimyo together with their Samurai warriors. At the heart of each order including the Emperor's family, was the "house principle" (ie gensoku) which had existed for many centuries. At the time of the Meiji restoration in 1868, the orders of Shogunate, Daimyo and Samurai were swept aside, leaving intact the house principle and the Emperor and his family. (15) In many respects the house principle remains the central element in modern Japan's social structure. It has been particularly adapted for the world of industry and commerce.

In the traditional house the head was the eldest son. In the absence of an eldest son, the husband of the eldest daughter was adopted as the new head of the house. Younger sons and daughters were encouraged to leave and set up homes of their own. These independent houses (bekke) would either remain within the family or constitute branch houses attached to the main house. Sometimes these branch houses might be established by a faithful employee of the main branch. S.D.B. Picken (16) gives as an example of this phenomenon the house of Mitsui, which began

in 1710. By 1740 there were eleven branch houses attached to the original house of Mitsui. Internally the houses were divided into a number of basic ranks on the basis of seniority and merit. The reputation of each house was very carefully cultivated and the reputation of branch houses was meant to conform to the overall conception of the house's reputation with respect to its customers.

A number of cultural phenomena were at work internally within these houses. For example, the father of the house was not understood as an independent individual in an autocratic relationship to all other members of the house. Rather he was seen as embodying the spirit and honour of the house. The claims of the house came consistently before the interests of the individual "The househead merely managed the property for the sake of the house..." (17)

The family operated as a community, so that individual interests were subservient to family interests. "Filial piety enjoins all the numerous responsibilities which rest upon the head of a family to provide for his children, educate his sons and younger brothers, see to the management of the state, give shelter to relatives who need it and a thousand similar everyday duties." (18) Important decisions such as marriage, in traditional families are still made by a family council. There is much stress upon the idea of loyalty to the family and the need for submission to the will of the family. Women are looked on as inferior to men and the family is stratified in accordance with the age of the members. (19)

The family is a microcosm of society as a whole. Each is hierarchically structured and each demands loyalty of the participants. It is thought that historically this structure emerged from the basic rice growing economy of Japan (20) which called for a collective approach. Traditionally this was recognised in the tax system, whereby collectives rather than individuals were taxed. Work within the collective was not seen in personal or individual terms, but as a contribution to the collective, thereby enabling it to sustain the lives of the individuals of which it was made. The appropriate response from the individual was that of gratitude. These social mores can apparently still be detected in Japanese commercial organisations in the form of dedication to group goals, task sharing, the sense of mutual obligation

and the sense of loyalty and gratitude to the company. "Like a Western marriage, the Japanese work group imposes task roles which are not always clearly delineated, tend to need revision, and require a constant investment of emotional capital." (21)

Hewlett Packard and Burroughs were also interested in inducing in the labour force a sense of belonging. "The company has been built around the individual", and "While our success and growth are dependent on many factors, first and most important are the skills, intelligence, creativity and dedication of our employees." (22) It was significant, however, that they made no overt mention of belonging to a family, community or collective. The sense of belonging, as in almost all other areas of their cultural and philosophical background, was radically individualised. Hewlett Packard's Annual Report for 1986 cited several examples of individuals who were perceived to be doing a good job for the company. (23) The clear message was that whoever joined Hewlett Packard or became a customer, joined the list of clever individuals who were making the company successful. In the "Statement of Corporate Objectives" it was written, in respect of "our people", that a company objective was "To recognise their individual achievements" and even more explicitly "The company has been built around the individual, the personal dignity of each, and the recognition of personal achievements". The nearest this statement came to projecting any sense of belonging to *gemeinschaft* was to say "In the final analysis, people at all levels determine the strength and character of our company."

Burroughs took initially the same line. In the handbook given to all new employees, reference was made to the term "member" as used by Maxell and Brother, but the connotation was quite different. Employees were members not one of another, as in a family, but in the sense of one of a number of individuals whose collective activity brought a collective sense of achievement. "You are now a member of the Burroughs Corporation who successfully design, develop, manufacture and market some of the most advanced data processing equipment in the world today. Your contribution is essential in order to continue the Corporation's high level of success and to help achieve the Corporation's objective which is to maximise the use of technology to solve human problems within the information technology industry. At the same time, it is the

Corporation's hope that you will be able to fulfil your own personal goals and ambitions while working with Burroughs at the Livingston facility." (24)

It is significant that if the Japanese borrowed the term "member" from North American employee handbooks they took hold of a word that suits them culturally. They appear to have declined to absorb the radically individualised outlook reflected in these handbooks, as there is apparently little room in Japanese culture for the self made, self fulfilling individual. There are signs, however, of change particularly with respect to managers in Japanese industry. Ian Gow reports that of a survey of six hundred and sixty nine companies in Japan, "self development/self enlightenment was deemed very important indeed." (25) This may indicate an internal dualism in Japanese labour forces with a tendency to individualise managers, but maintain the collectivity of blue collar workers.

When Lemac and GEC were examined, it was apparent that no overt attempt was being made to *induce* a sense of belonging, either by the way in which people were designated or through published literature. That is not to say that a sense of belonging was absent. On the contrary, the atmosphere of GEC's Kirkcaldy factory and Lemac's Haddington factory was that of a company, if not a family of people who were well acquainted with each other and aware of their economic importance to the local community. Where they differed fundamentally from the other four, was that in Hewlett Packard and in Burroughs, Maxell and Brother, the common impression was of gathered workforces of élite people, either on the basis of expertise or simply by virtue of having been chosen to be employees of the company. In GEC and Lemac the labour force appeared socially more cohesive and was probably drawn from a smaller geographical area. The labour force at both GEC and Lemac tended to see itself as very typical of any number of people outside the company. In the other four factories there was a tendency towards an incipient awareness of being in some sense a privileged group, apart from the wider surrounding community. In Lemac and GEC, the overall impression in each factory was of a group of people initially "thrown together" in an almost random way, who in the face of a common management and common objectives, had learned to coalesce into something like a community.

Although management in these two factories was, in comparison to managements external to the six companies under review, "reasonable", sympathetic and by no means macho or excessively authoritarian, the divide between management and worker seemed much sharper than in either of the two US owned companies or the two Japanese owned companies.

In other words, the two British owned factories satisfied indirectly the need to belong. This is a concept that will be revisited. It is sufficient to say at this point that there is substantial philosophical basis for the concept of indirectness in the Socratic element in Western thought. (26) It is, of course, not being argued here that British companies like GEC and Lemac set out deliberately to exploit this principle. They are, however, operating in a culture where the principle is deeply rooted. The major weakness revolves around the question of control. The present study indicates that the Japanese owned companies and the American owned companies retained control over the ethos of the community or collective thus formed. Later evidence in this thesis will indicate, for example, that a fairly hierarchical authoritarian ethos was being produced in the Japanese owned companies, and that competitive individualism was supported, developed and encouraged at Hewlett Packard and Burroughs. GEC and Lemac, on the other hand, had initially no control over the emerging ethos of their factory labour forces. It was therefore relatively easy for the factory labour force to acquire, for example, a conflictual model of industrial relations from the traditions of the local culture. In ex-mining areas such as the Lothians at Haddington or at Wrexham in North Wales, the tradition of conflict in industrial relations was well established. (27)

The work forces at Lemac and Brother had very similar roots. Many interviewed in both factories said their fathers were miners or ex-miners. Yet Brother's Wrexham factory was very different in ethos and overt attitudes compared to Lemac's Haddington factory. In the former, the ethos was being controlled by a particular company philosophy. In the latter, control appeared to be at a minimum. This would appear to be an example of a culture working against the best interests of the capitalist mode of production. This mode of production as distinct from, say, small scale craft production, demands high levels of discipline, both at the individual and at the corporate level, if for no other

reason than to keep ahead of the competition. Where the traditional craft worker tried to control demand by controlling supply, (28) the modern factory is almost entirely demand driven. When the market slumps, production must accordingly be cut. There is a sense therefore in which market and competition is controlling the nature and style of the community produced in the factory. Companies like Hewlett Packard and Maxell seem compelled to adopt a particular organisational style in order to meet the competition. "Fundamental to them all is the HP way, the management style which positively encourages individuals to take responsibility for setting targets and achieving objectives within their own areas. It is this principle which enables Hewlett Packard to attract, develop and retain talented people. In turn this reflects itself in both individual and corporate progress." (29) As noted in Chapter 4 it was clear that these organisational styles were comparable, with a number of similarities. Both, for example, fostered a strong sense of belonging amongst the labour force. Given certain features of Japanese culture, however, the Japanese companies found it convenient to foster feelings of belonging that were compatible with more traditional Japanese ideas of family and house. (30) The North American owned companies had their roots in an atmosphere that was already highly individualised. They therefore found it convenient to foster feelings of belonging that were compatible with notions of self fulfilling individuals as members of successful teams.

Companies like GEC and Lemac, with a laissez faire policy in this regard, put themselves at a disadvantage. They might be "lucky" and end up with a factory population that is every bit as disciplined as some of the foreign competition. On the other hand, they are more likely to find themselves trying belatedly to induce discipline by macho management methods long after the ethos of the factory population has formed and hardened. This may have been the reason for the abrasive reputation of younger managers at GEC.

How Employees see the satisfaction of the need to belong.

The need to belong is related to questions of incorporation into the company and identification with the enterprise, where incorporation is the process of including the economic activities of individuals or groups in company structures to minimise any perceived threat to the smooth running of the enterprise. The need to belong expresses the issue from the point of view of the employee. Incorporation into and identification with the enterprise, expresses the issue from the perspective of the company. As recorded earlier, American owned and Japanese owned companies make explicit attempts to induce a sense of belonging by encouraging incorporation into the company and by fostering identification with its values and goals. Maslow argued that the need to belong fulfilled a basic need of employees. The need to belong is the obverse of incorporation. Where incorporation is pursued overtly, as in four of the six factories, the need to belong is a form of employee response. This response is further encouraged in Japanese companies in Japan by lifetime employment and company unions. Lifetime employment increases the competition for promoted posts, a competition which manifests itself in long hours of voluntary overtime. "Under the life time employment system, competition among peers for promotion is severe, and so all work very hard." (31)

Company unions tend to take the long term view of earnings and to promote the conviction that these are best maximised by everyone working as hard as possible. By their very nature as company unions they contribute to a sense of belonging, which is further enhanced by the emphasis on hard work to maximise earnings over a life time.

Of course working hard can as easily produce alienation as a feeling of belonging. An employee at Maxell said, "The pace at which this factory has gone on, it has gone from nothing so fast, so quick, by virtue of the fact that people have worked damned hard. The problem now seems to be that people have given everything and they (the company) still want a little bit more. This is a thorn in people's sides that they still want more and more. What they want to see is something given back to them now. Wages are low and should be increased. People sometimes work seven days a week with no social life. I feel I've got to

put in a lot of overtime because of my job....There is a lot of people here who care for the company. There is a lot more caring here than you would find in an English company." This response aside, however, the increased work performance of the Japanese worker in Japan is stimulated by the twin concepts of lifetime employment and company unions, rather than by any indigenous propensity to workaholism in the Japanese psyche. Lifetime employment and company unions are part of a wider process of incorporation in large Japanese companies.

Neither lifetime employment nor company unions yet exist in Japanese companies in Britain. Thus two props of incorporation are missing. The drive to maximise work performance is therefore more at risk of inducing alienation (as in the example above).

The Americans also use incorporation to maximise work performance but without promises of lifetime employment and without company unions, and in the case of Hewlett Packard and Burroughs, without any trade union recognition. Instead they rely on an appeal to self interest in terms of salary and career. That is, they take a much more economic approach than the Japanese. Behind these two approaches to incorporation however, are different views of what it means to work in teams. For the Japanese it would appear that teams are somewhat isolated units collectively forming the company. In Brother they were actively encouraged to compete against each other. At Hewlett Packard and Burroughs teams comprised self fulfilling individuals.

Without lifetime employment and company unions the prognosis for the Japanese model in Britain must be limited. The Japanese already seem to sense this, hence perhaps the acceptance and expectation of high levels of labour turnover within about five years. One alternative for them would be to move to the American model, but such an overt emphasis on individualism might be too great a cultural step for the Japanese to take at the moment, although some argue that this is a development generally in Japanese culture(32).

In fact Maxell and Brother seemed to have adopted some economic appeal to the individual worker by the offer of high levels of overtime with continuing attempts to incorporate via single status working. In other words there were signs of the search for a middle road between the two models.

Loyalty.

Loyalty in the form of commitment is currently becoming a real battleground in industrial relations as enterprises actively seek to weaken and break traditional employee loyalties to trade unions and replace them with loyalties to enterprises. "Management in many companies sees much less need than in the past to concede matters of substance to unions. They do see the need to underscore heavily that leadership of the company is in their hands; and that in exercising this leadership, and engaging the commitment of workers, they must necessarily diminish the union's leadership functions and the workers' commitment to their unions." (33)

This kind of commitment has traditionally had at least two strands, a need to belong socially and culturally, and to identify with others in a similar socio-economic position, and secondly, the need to defend and promote the interests of that socio-economic group. While the second has often been of more immediate interest, the first can be equally powerful as illustrated by the 84/85 miners' strike and it is the first strand that enterprises have their sights on in the battle to win "hearts and minds". It is often claimed by employers that the second set of interests will automatically be taken care of, if people identify with and acquire a sense of belonging to the enterprise.

The need to belong has a long and well documented history in Japanese Society. To some extent it may be grounded on a Confucian emphasis on basic sets of human relationships(34), eg., between father and son, and on the Confucian concept of jen (goodness and harmony) and shu (reciprocity), which enhance the sense of belonging by tying people into a network of relationships. Taoism achieved a similar effect by reminding its devotees that in being, they shared in the ground of being. (35) While at a later stage Buddhism was criticised for a lack of emphasis on the family(36), a sense of belonging was overtly engendered for some by the establishment of monastic orders.

The nearest Japan has to an indigenous religion is Shinto. With the development of Shinto there emerged a religious and nationalistic doctrine of the divinity of the Emperor and, almost by proxy, the divinity shared in by every Japanese by virtue of an alleged descent

from the Emperor. Although state Shinto was abolished in 1945 and the Emperor relinquished his claim to divinity, the powerful feelings of belonging thus engendered remain in contemporary Japanese. A typical summary of the situation is given by Anesaki.

"National unity and social solidarity were always maintained by the reverence towards the ruling family, belief in the divine origin of the throne being inseparable from the worship of the sun goddess. This notion of the divine dignity of the throne has its historical development, but has always played an integral part in political and social institutions together with the related cult of ancestral deities and national heroes. The idea of family perpetuation and the importance of communal life played no less important parts. The virtues of valour and fidelity, as well as the faithful observance of family traditions, were always integral factors of the indigenous religion. The fate of this ancestral religion in an industrial regime like the present is a grave question, yet the part that Shinto still plays in the ideas and the life of the nation must be fully reckoned with." (37)

In practice, this seems to have given rise to strong feelings of authentic loyalty amongst Japanese people rather than blind obedience. Not surprisingly, they appear to expect these feelings to emerge in the foreign labour force. They are expected to emerge rather than be directly purchased. At Maxell and Brother there was no question of immediate buying of loyalty. There was a hidden cost in terms of conditions and facilities but no annual bonus, no promise of lifetime employment and no company benevolence in the form of housing loans, all of which are mentioned as inducements to loyalty by Pamela Briggs. (38)

There was an assumption on the part of the Japanese at Maxell and Brother that to work for the company implied entering into some sort of relationship of loyalty with one's fellow workers and the enterprise as a whole. In his Japanese translation of the autobiography of Thomas Telford, Atushi Nagai, the president of Maxell wrote, "Although they are given a job order or instruction by the management, each individual including the managing director is equally a member of the Maxell family and of the Telford factory." (39) Additionally, high trust relations were encouraged between the Japanese, on site, and the indigenous labour force and it was expected that these relations would be reciprocated.

They were designed to promote a sense of loyalty to the company, which loyalty when threatened, produced an immediate and angry response from senior management.

During the first year of operation at Maxell a TV company made a video of life at the factory. An employee was recorded alleging that wages were low and union activists discriminated against. The Personnel Manager confirmed that even months after the event these comments were seriously deplored by the Japanese, who said the employee's view "reflected a disappointing lack of loyalty to the company." Thus far (one year later in 1985), he had not been dismissed. Their reaction to his frankness, however, was a reminder of the dark side to employee commitment to enterprises in Japan. There are "coercive elements" (40) in the Japanese system. Briggs lists these as a labour market that is virtually closed for core employees of large companies, seniority dependent on years of service with the one company, bonuses tied to company profitability and company benefits that bind the recipient to the firm. (41)

In comparison, these chief features of coercion in Japanese plants in Japan were so far missing in the Japanese factories in Britain. British industry as a whole does seem to be moving towards the Japanese dual labour force model and this model was already extant at Burroughs and emerging at Brother where a significant number of employees were temporary workers. There were signs at Maxell and Brother of emerging company benefits to bind the recipient to the firm, and of a developing seniority system in the wage structure, but there were no bonuses tied to company profitability.

It could be argued that overtime earnings, which at times were considerable, were a form of coercion, as was peer group pressure induced by team working to, eg., reduce absenteeism. In a sense there was little need for overt company coercion. Any significant coercion was coming from outside the factory from high levels of unemployment in the surrounding community coupled with diminishing income support, in real terms, for those out of work. It could also be argued that pre-emptive measures had been taken to reduce the need for this type of coercion by selecting a young, industrially unconditioned labour force, and "building in" to manpower planning the expectation of high levels of

labour turnover after, say, the first three years of operation, thus maintaining the malleable characteristic of the labour force.

There undoubtedly was emerging at Maxell and Brother a company cultural ethos that was conditioning employees at all levels to conform to particular work patterns, eg., high levels of overtime in response to sudden increases in product demand, timeous work attendance, minimising of absences from work, and preparedness if not willingness on the part of managers to work significant hours of unpaid overtime on administration, planning, etc. A total package of measures, which if taken singly, often appear trivial, contribute to the production and maintenance of this cultural ethos. Amongst these are, single status working, common work wear, open-plan working, exercises at the beginning of the day, and team working and frequent team briefings. The totality of the package, its all embracing comprehensive nature, is a recurring theme in this study. Japanese management techniques cannot be seen in isolation from production methods, personnel policies, relations with customers, suppliers, the local community, with the parent plant in Japan with whom there is daily contact, and investment sources and policies. There are certain themes, eg., quality, timing, flexibility, adaptability, from the inception of the idea to the delivery of the product, that permeate the total process giving it an impressive quality of homogeneity.

There is a sense in which these can be summarised as oblique coercion exerted through close personal relations with individuals and groups in order to apply pressure when it is needed, eg., to maintain returns on investment, to meet production targets and market demands, to maintain zero defects in supplies of goods and services, to maintain zero defects on the production line, to ease planning consent for expansion, to maximise management commitment and to maximise employee willingness to work overtime.

Clearly many of these features Japanese companies have in common with US companies like Hewlett Packard. Contrary to popular opinion in some management literature, neither respect for the individual per se nor for the quality of human relations per se, is likely to be the origin of close personal relations. More likely its origin lies in self interest in terms of the need for company survival.

In the absence of some features of company coercion in Japan, the Japanese did seem to have been successful, at Maxell and Brother, in generating a sense of loyalty and an awareness of belonging to the company although they tended to deny it. The Managing Director at Maxell said, "There is no such thing as Japanese management, there is only common sense management." Nevertheless it does appear that in terms of loyalty, the Japanese are consciously importing into Britain an industrial relations ethos that has been influenced by some aspects of Japanese culture. Some of this is being absorbed by the local labour force, but to what depth is yet unknown. Cultural importation seems to be having an immediate two fold effect, one on British managers, the other on blue collar workers. Managers are being forced to rethink the structure and use of the day at work and to some extent their wider life style. They are under pressure to be on the shop floor during production shift time and to catch up on the paper work afterwards in unpaid hours of overtime.

Blue collar workers are under pressure to adopt flexible working practices and have already accepted the absence of traditional demarcations. Those recruited at Maxell and Brother seemed to understand this at the time of recruitment and in fact appeared genuinely to welcome flexibility, a point which is often overlooked in discussions on worker flexibility. They were also under pressure to work long hours of overtime and to be particularly assiduous about quality.

The roots of self fulfilment in American owned companies have a very different religious and cultural origin. This in turn gives rise to a different conception of loyalty, different approaches to motivation and a different basis for the sense of belonging. Their origins lie in the Puritan roots of the American revolution of the 1770's. The conviction that severed America from Britain was not just a colonial struggle for independence, but a revolution in social, political and religious organisation. Fuelled by Puritanism it emphasised personal freedom, religious liberty, human rights and democracy, especially in church and government. (42) The specifically religious ground for these new emphases was individual conversion and a belief in the doctrine of the priesthood of all believers. Kenneth Scott Latourette, one of this century's leading church historians wrote, "The American revolution was by no

means anti-Christian. Some of its basic ideals were from John Locke and the way for it had been prepared by the reformed faith and the sermons of the clergy, especially in New England." (43)

The church was separated from the state, not out of a desire to secularise society, but to substantiate belief in independence of spirit throughout the totality of human existence. In this regard churchmen were motivated by a radical congregationalism.

"Just because this democratic idea animated from the very beginning not only the church but the body politic as well, the separation of church and state was able to become a positive principle by which the relationship between them was made to depend not on any formal bond of obligation but on the free concurrence and cooperation of the citizen who learned to make his Christian profession and to live it out both in the church and in the varied circumstances of civil life." (44)

What perhaps was not so clear at the time was the effect these convictions would have on economic and industrial life. The emphases on self fulfilment, individual freedom and liberty cleared the cultural arena for an unprecedented expansion of capitalism.

Prima facie it may look as though the North American company's reimporting of these attitudes and beliefs, with the location of industrial factories in Britain, is an example of bringing coals to Newcastle. A brief look at British history in the last two hundred years is enough to dispel this view. If Puritanism was a minority view in North America in the 18th century, it is even more of a minority view in contemporary Britain and has almost become extinct in the 20th. century, although belief in individual conversion and the priesthood of all believers survives amongst Christians of most denominations.

Nevertheless the proximity of church and state in Britain has moderated the radical drive to emancipate the individual and maintained an awareness of collective development and collective destiny. Thus socialism, which emerged in a party form in Britain but not in America arose with the substantial support of many in the churches.

"Many of those who pioneered in the march towards democracy, for the organisations and the Labour Party, and for laws to improve the conditions of the masses were earnest Christians, products of religious awakenings and acting from Christian motives." (45)

It may be that global industrialisation will eventually bring an end to all religion where religion is a system of rites, symbols and feelings based on the worship and reverence of a god or gods beyond the limits of human knowledge. (46) As these limits are extended by science and technology religion is marginalised. Bonhoeffer recognised the dilemma for religion more than forty years ago when he wrote, "Religious people speak of God when human knowledge (perhaps simply because they are too lazy to think) has come to an end, or when human resources fail - in fact it is always the *deus ex machina* that they bring on to the scene, either for the apparent solution of insoluble problems, or as a strength in human failure - always, that is to say, exploiting human weakness or human boundaries." (47)

Since the object of reverence in religion is a god beyond the limits of human knowledge, religion is necessarily separated from the rest of life so that the rest of life holds no mysteries. It is all potentially open to rational explanation. Religion becomes essentially a 'spare time' activity, inappropriate in the rational environment of work. Any 'space' for it in the world of work is in the realm of personal morality where some scope remains because not all human behaviour is clearly open to rational explanation. In other words there is an apparent limit to human knowledge and beyond that there is space for religious explanation or religious theorising in the form of moral precepts.

The ability so to polarise awareness between the rational and the religious is a characteristic of religion but not of Christianity. Thus secular or religionless Christianity is a tautology. Christianity spells the end of religion in favour of faith. Religion continues to exist in industrial society for at least three reasons. It flourishes where Christianity is absent. It flourishes where knowledge is limited, and it flourishes where it exists as a consumer industry. Essentially capitalism prefers people not to be religious for it has other plans for the use of people's spare time. There it needs people not to be religious, but consumers. So the system strips out religion. "It (the bourgeoisie) has drowned the most heavenly ecstasies of religious fervour, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation." (48)

One way of preserving religion in a capitalist society is to convert it to a consumer industry in its own right. Where religion is tolerated, as in the United States, this indeed has happened. It is a multi-million dollar industry with interests in property, broadcasting, literature production, health care and education. In Britain, Christianity has been more successful in impeding the drive to convert it into a religion. It has been assisted in this regard by the post-war welfare state, itself a form of Christianity, which has provided total care from the cradle to the grave. For historical reasons, saddled with more property than it needs, forbidden to buy broadcasting time, and left only with some limited production of literature, religion in Britain has never developed a significant consumer market. In short there has simply been less need for religion in twentieth century Britain and it is doubtful if it is in any sense a driving force in cultural change in Britain.

At the same time the legacy of Protestant Christianity's impact on America in the form of self development is being reimported by companies like Hewlett Packard and, to a lesser extent, Burroughs, not out of religious conviction, but because it suits their production needs. They are rediscovering a strand in the Christian cultural background of modern Britain which found so fertile a soil in the life of 18th. century America. It can be appealed to with as much success as the founding fathers of America appealed to it. The response to that appeal has the potential to revolutionise British attitudes at work and even give rise to a cultural shift in general social attitudes. It forms a link between the "Fordist" capitalism of the first three quarters of the 20th. century and the "post-Fordist" society that seems to be dawning in the West. Under Fordism, individualism was submerged in "the large scale flow processes of the modern factory, the skilled factory proletariat, the intensification of management, the rise of the corporate giants, the spread of mass consumption, the concentration of capital, the forward march of the technical division of labour, the intensification of world competition, and the further spread of capitalism as a 'global system'" (49)

Under post-Fordism, individualism is given a new lease of life in flexible specialisation, through privatisation programmes and a renewed

emphasis on self interest as distinct from group interest. Current emphases on monetarism, for example, appear to favour change in the direction of individual development within corporate employment structures.

American owned companies appear to take the view that the potential for change in the direction of American cultural mores exists within contemporary British culture. Therefore there is no need to adapt cultural practices. The cultural difference extant in the company is apparently being eagerly absorbed by the indigenous labour force. One obvious advantage to some British employees of a North American company, as distinct from the British employee of a Japanese company, is that the former know there is the potential to rise through the ranks of the enterprise not only in Britain but also in America. There are therefore enhanced job and career opportunities.

Finally, returning to the concept of loyalty, Japanese and American companies in Britain may well be contributing through their industrial relations, to a cultural change for people at work. There is a sense in which this cultural change does not take the form of a direct attack on traditional trade unionism. It is an attempt radically to individualise the employee. Hence the absence of collective bargaining in the four foreign plants of this study. By creating a new relationship between the employee and the employer based on individual contract, there is simply no longer room for traditional trade union loyalties. Amongst more middle class management grades this has long been accepted. It is likely to be strenuously resisted by established organised labour forces, as is already the case (eg., at Ford (UK)). The logic of employing young people, industrially unconditioned, as at Maxell and Brother, becomes even more apparent.

Job satisfaction.

Perhaps against the trend, the two Japanese companies had induced a sense of job satisfaction that was higher than that at GEC, Lemac and Burroughs. (50) There is evidence, largely from the US, that Japanese workers are not so content at work as workers in western industrialised nations. (51) "A Prime Minister's office survey found in 1980 that only 20% of workers aged between twenty and twenty four found satisfaction in work, compared to 29% in 1971. This was not only a significant reduction, but a surprisingly low figure in relation to the general perception of Japanese commitment. This view was reinforced by a 1986 survey of loyalty to the company, conducted by the Japanese Federation of Electrical Machinery Workers. Covering eleven thousand workers in nine countries, the Japanese ranked eighth when the degree of satisfaction with working life (measured over twenty factors) was considered. They came behind Great Britain, West Germany, Italy, Sweden, Hungary, Poland, Yugoslavia and Hong Kong. Sweden was at the top." (52)

Maxell and Brother seemed to have induced a sense of job satisfaction indirectly rather than directly. Their direct contribution in terms of pay and non-pay benefits was poorer than at some of the other four factories. (53) Physical working conditions were good and the commonality of facilities contributed to an apparently egalitarian ethos that appeared to promote employee satisfaction. Essentially, however, they dealt with the issue of job satisfaction indirectly, by stressing pride in the work through concern for quality, a sense that the employee was needed, if not indispensable (Brother's refusal to allow teams to take workers from other teams in the event of absenteeism must contribute to this), attention to the detail of the production process, involvement of all employees in that process, accompanied by a continuous management presence on the shop floor.

The details of that approach were similar to the details of the approach of the two American companies to job satisfaction. Burroughs appeared to have allowed the sense of employee involvement to diminish and had not adopted a policy of "management by wandering around". Like Hewlett Packard, however, they did contribute to employee satisfaction by offering good pay and conditions at levels above that which the

Japanese were offering. The difference of approach to the issue, indirect rather than direct, is crucial and culturally dependant. There appears to be no question of cultural absorption. The British employees were probably unaware of the nature of the difference, although they were aware of being treated in a "satisfactory" way - sometimes too satisfactorily. "There are some people I know of who have been hanging on by a shoelace. The manager says, 'We'll wait and see if he improves', but they are causing more conflict at the other end. They are not doing their own jobs", said one worker at Brother.

The two American companies presented the criteria for job satisfaction directly by taking leading positions with respect to wages and conditions, by overtly attempting to produce a feeling of belonging, in, eg., company literature, by encouraging after-hours social activities and by providing employees, even with no qualifications on entry, with a career structure based on merit. At the same time they almost implied a lifetime employment philosophy. In Hewlett Packard's factory this approach appeared to be working well, better than at the other five factories. At Burroughs, levels of job satisfaction were worse than at four of the remaining six factories(54), and only equal to those at Lemac.

The British approach was also essentially indirect. It was indirect because both GEC and Lemac perceived themselves to be in a crisis situation. The emphasis was therefore on survival in the market place with little thought for worker job satisfaction per se. Consequently, the indirectness of approach to job satisfaction did not matter. Job satisfaction was low because morale was low, and feelings of insecurity were high. "There is no chance of getting on here because we are all threatened by redundancy," said a link operator at GEC. This raises the important but not necessarily decisive role of capital. The foreign owned plants appeared to have access to capital for start-up and development that was absent at both GEC and Lemac. Ackroyd et al argue that they are part of a "rust bowl" of sunset industries exported from a Japan in which they are no longer profitable. (55)

Ultimately, given that all four factories were working in a capitalist framework, values centre upon the production process. American companies like Hewlett Packard seem to use human relations as a

foil through which to engage with the production process. "...we are essentially and fundamentally a people orientated business. While our success and growth are dependent on many factors first and foremost are the skills, intelligence, creativity and dedication of our employees." (56)

Japanese companies, in this sense, engage directly with the production process. In the two British factories the rationale for focusing on the production process differed from that of the Japanese companies. The latter appeared to be motivated by the need to maximise output and market share in order to compete at an international level. The former were motivated simply by the need to survive. Thus Maxell and Brother, while concentrating on the production process, could do so in an innovative way that included quality circles, monthly quality meetings, regular works councils, and continuous management input to production at the shop floor level.

The two British companies with their concern for survival, concentrated on production effort, inducing everyone to optimise timekeeping, and to minimise absenteeism and time spent off the job. These were the only factories of the six where people used time cards. Clearly, the former were playing from a position of strength, the latter from a position of weakness. Nevertheless, the difference of values remained. The Japanese and Hewlett Packard valued "long-term employment (at least for core employees), trust, and close personal relations" enough to have allowed these to shape production techniques and practices even in two quite different ways. In the two British companies there appeared to be an erosion of corporate values. Indeed, some may never have been present from the inception of the factories. There appeared to be no place for what Pascale and Athos call "superordinate goals" (57), all of which points to, but does not necessarily indicate the lack of an ethical base for corporate capitalism in the British factories.

Individualism is most rampant in the capitalism of North America (58), yet the two American companies appeared to have been more successful than the two British companies in maintaining a corporate ethical basis for their operations. The individualistic ethic appears to be a necessary a priori for a capitalist company ethic. Where the

religious ground of that ethic is absent as in contemporary Britain, the company is left with an ethic based simply on individual self interest. Hence the comment "We are only paid to work here eight and a half hours a day and I do not see why I should spend my own time thinking about the job" and the comment, "Without the front line troops there would, in fact, be no company." Thus two people at GEC and Lemac made ostensibly similar responses to those at Maxell and Brother with regard to working unpaid overtime and remaining behind to discuss work, but with the proviso, "providing it was for the benefit of the membership", as one shop steward said.

Furthermore, levels of employee contentment at GEC and Lemac were, in relation to the other four factories, depressed. (59) People in these factories, for all their ties with the local community and their traditional means of representation through recognised trade unions, returned the lowest levels of job satisfaction of the six factories. The company seemed to have lost its ethical impetus and employees were bereft of job satisfaction. The two seem correlated. Further analysis of the situation, however, shows that the dilemma cannot be resolved simply by restoring the ethic. The restoration of the ethic - as in Japanese and North American companies - may help to raise levels of employee satisfaction, but with only partial success unless at the same time people are aware of belonging to *gemeinschaft* or community. From conversations with employees it would appear that it was this factor which accounted for the primacy of Hewlett Packard in respect of levels of job satisfaction - not that they had achieved *gemeinschaft*, but they were aware of it as a goal which they were pursuing. Ouchi explored the pursuit of community in Theory Z companies, "A theory 'Z' culture has a distinct set of such values (eg., aggressiveness, defensiveness, nimbleness) among them longterm employment, trust, and close personal relationships." (60) Hewlett Packard is one such company and Ouchi describes, in some detail, methods used. (61) In the context of contemporary British culture, these methods and results appear very alien. The point, however, is that they are a sign that theory Z companies recognise the need not only for an ethic at work and therefore personal satisfaction and fulfilment, but that these cannot be achieved outwith community. In the highly individualised culture of North America

it is the category of the moral that forms the relationship between personal satisfaction at work and the need for community.

Every individual is centered upon self, but the self can only be realised as such by engagement in moral acts, ie., by responding to the commands that come to us from the world around.(62) Morality in this sense is not a set of rules, religious or otherwise, but the "oughtness" implied by the world of which the self is part. While the company philosophy falls into the category of rules, these rules are presumably framed in an attempt to respond to at least some aspects of what are perceived by the original framers of the rules to be of the "oughtness" of the world in which the company operates. The self is given an environment in which to be. In the encounter with the environment, a world is revealed to the self, filled with other people, to which may be addressed questions, and from which come answers and commands.(63) Whether the form of the question and the content of the answers and commands are wholly determined by the given environment (pace K. Marx and F. Engels)(64) does not affect the argument at this point. In fact the encounter is a continuous process, and the questions, answers and commands are part of that process. The self is free to respond to the commands or ignore them. In responding, it effectually actualises itself - the self becomes the person he or she is. In refusing to respond to the commands, the self remains latent and unactualised. In reality, for the majority of healthy people the fundamental choice is absent, only degrees of response remain. The response to worldly demands occurs essentially as a result of encounter with other people, the incipient community. Community is therefore an ellipse whose twin poles are the individual self and the self in continuous encounter with others, ie. participation. Insofar as the satisfied self, the integrated whole self can only develop in community(65), job satisfaction which is only part of self-integration, also needs community in which to develop.

Unfortunately industrial production of itself tends to destroy community by subdividing people and tasks.(66) It can make a contribution to community, as in Japan, where the large company involves itself in all aspects of employee life, from the cradle to the grave, but it cannot recreate community, as seems to be attempted by companies like Hewlett Packard.

Contrary to Ouchi's thesis(67), a cultural distinction is therefore apparent at this point within theory Z companies, eg., Maxell and Hewlett Packard. Japanese companies recognise that gemeinschaft cannot be created but only approached obliquely and preferably from a cultural basis that has some traditional understanding of community. Both Buddhism and Confucianism fall into this category. Essentially, Buddhism and Confucianism understand community in terms of family. Shinto's contribution is to supplement concepts of the family with the concept of the macro family, the nation(68). Hence the heavy emphasis in Japanese companies on the family and on Japan. For example, the Matsushita workers' song states "For the building of a new Japan let's put our strength and mind together, doing our best to promote production, sending our goods to the people of the world." (69)

North American companies are at a cultural disadvantage. Their ethos derives from Protestant individualism. Their attempts to create community, as for example observed by Ouchi, therefore appear laboured and artificial, even although they do succeed in inducing some sense of belonging. For example, many employees at Hewlett Packard were very protective towards the company, obviously committed to it, had no wish to work for any other company, and appeared to look on the company as a large family. The end result, therefore, can look very like the Japanese attitude to the company but for very different reasons.

Of the six factories, job satisfaction was highest at Hewlett Packard, then at the two Japanese owned factories, and lowest at Lemac and Burroughs. Job satisfaction is part of personal well being, but individual personal well being is not an entity in itself. It exists only in correlation with community where community and individual well being are bound together by a common ethic. In this regard, Japanese companies have a cultural advantage over enterprises both in North America and Britain. The Japanese culture is able to draw on the religious ethic of Buddhism, Confucianism and Shinto, to support the close relationship between individual and community. The culture to which North American companies belong offers, in the main, only a strong emphasis on individuality. British cultural values also appear to emphasise primarily individual sets of interests, and if community does not arise naturally, British owned factories like GEC and Lemac appear

to make no attempt to induce a common sense of belonging together. Were these two companies therefore in the van of Daniel Bell's pessimistic prognosis when he wrote, "The new capitalism was responsible for transforming the society, and in the process undermined the Puritan temper, but it was never able to develop successfully a new ideology congruent with the change, and it used - and often was trapped by - the older language of Protestant values."?(70)

Democracy.

When thinking of the culture of the owner, the issue of democracy goes to the very heart of that culture, whether it be Japanese, American, or British, for democracy is about how people organise themselves and others and therefore about how people are understood. That is to say it is primarily an ideological question and secondarily an organisational question.

In the workplace it involves participation (consultation) and decision making, although none of these is necessarily democratic and to be equated necessarily with democracy. Rather they are possible signs of democracy or the lack of it. This point is made by Vaughan and Ramsay(71) in a book reviewed by Margaret Kiloh who writes, "Vaughan argues that part of the explanation for poor progress in the field of industrial democracy can be located in the usual manner of presenting the case in terms of the effects of participation on individual and organisational performance. In his view there is no equivalence between participation and democracy and the value of participation in economic terms is not the same as the value of democracy."(72)

Participation (consultation) has already been examined both comparatively (Chapter 4) and analytically (Chapter 5), now the central issue of participation and therefore of democracy, the issue of decision making, is examined. Much of the literature on Japanese industrial practice suggests that decision making in Japan is a different process from that in either the US or Britain. Clark summarises the differences thus, "In the West decision making is

individualistic until adversity makes it collective. In Japan decision making is collective until it is proved worthwhile for an individual to put his name to it." (73) The ringi system of decision making per se is described by Naota Sasaki. (74) The Kacho or section chief calls the section together to discuss an idea. The discussion is reported to the Bucho or departmental head after which Buchos and Kachos from all the departments meet, discuss and agree. The ringi-sho, or formal paper on the idea is prepared and circulated to all departments. Managers read the ringi-sho and append their seal to it. It is then sent to the top decision making body, the senior management team. A comparatively large number of people therefore feel that they have contributed to the decision, and something of the trauma and conflict associated with change is minimised. People feel more committed to implementing the decision and some quite radical decisions can be made. Is this democracy? To answer that question one would need to know where the original idea which caused the Kacho to convene a meeting of his work group came from. Was it his suggestion? Did it come from a subordinate or, more likely if it is a question of major change or significant expenditure, did it come from above, and if so, how? Sasaki is vague on these points. Others suggest the major ideas come from above, suggesting not so much democracy as modified autocracy. From what could be observed at Maxell and Brother two things were happening. Day to day control and decision making was firmly in the hands of the senior Japanese managers on site, in consultation with the senior British managers. There were indications that they in turn were in daily contact with the main plant in Japan. Mr Kakurai at Maxell did state as much and disclosed that differences in time zones occasionally cost him some sleep. Alan Road writing about the plant director's personal assistant at Sony, Bridgend says, "Whereas Pamela was accustomed in her previous job with a British oil company to her working day gradually gathering momentum, she is now totally involved the moment she reaches her desk. 'It's already 4.30pm in Tokyo' she points out. 'The day has already happened in Japan and we have to answer all their questions before starting our day'" (75)

Additionally employees were encouraged to contribute to changing work practices, and to improving job methods through the company suggestion scheme. While Hewlett Packard, Burroughs and GEC also had

such schemes, a supervisor at Brother did say that the Japanese liked to have suggestions on paper and to circulate these amongst people and departments likely to be interested, thus emphasising an alleged Japanese characteristic, viz., the fondness for circulating suggestions in writing.

The closely related concept is *nemawashi*. It means literally "binding the roots" or "doing the groundwork" (76) By *nemawashi*, consultation becomes part of the cultural context of work, rather than a formal structure superimposed. People are continuously consulted. By increasing participation, *ringi* and *nemawashi* contribute to minimising conflict. In that sense they have cultural roots in the Confucian stress on harmony (*wa*), but too much should not be made of this. In practice participation is understood in the West as enhancing the quality of life of employees. (77) Sell reports that in Japan structured Western style participation is essentially a response to industrial relations and market problems. (78)

Personnel managers at both Maxell and Brother described the Japanese decision making process as protracted and frustrating and both men confessed they short-circuited the system by making some decisions and presenting them to the Japanese senior management as *fait accomplis*. The *ringi* system has the advantage of obscuring the source of the final decision. Resentment at a poor decision cannot be focused on an individual but only on the "company". Since the company ostensibly embraces everyone, resentment partly includes the person feeling aggrieved. This has the potential to stimulate attendant feelings of guilt and shame, both powerful concepts in Japanese culture. (79) There was no evidence of this development amongst the labour force at either Maxell or Brother!

Writing in 1984, Peter Cressey noted that "The consultation committees and works councils that were already in existence have been under pressure as the recession has led to conflicts, suspicions and anxieties. In our case studies, we have seen how this has led to the demise of such committees and the withdrawal of cooperation by workforces. there is no evidence that recession breeds a 'common approach' in which different interests are submerged in the struggle to survive. This 'lifeboat democracy' theory does not hold up against the

evidence of a downward spiral in trust relations within companies." (80) The withering of consultative meetings at Burroughs and Lemac in particular, supported Cressey's contention and illustrated two features of industrial democracy, its inherent fragility and its dependence on labour market conditions. That the consultative system had declined in both the American and the British factories and that the ringi system of decision making did not appear to have been introduced at Maxell and Brother, seemed to indicate either that the culture of the owners was not really democratic or, if it was, that organisational demands, labour market pressure, or lack of it, were being more influential.

"The proletarian struggle against liberalism is a struggle against the bourgeois class rule that was erected with the help of liberalism. Its struggle for democracy is a struggle to see that all have an equal share in social power and economic profits." (81) Since power and justice are correlated (82), questions of justice in the factory are also questions of power. If information is power, the sharing of information is a question of justice. The decision maker is also in a position of power. In the perpetual struggle in the factory between those with power and those without it, the religious preconceptions within different cultures appear to give rise to different ways of controlling the struggle in capitalist production. If there was one culture, or complete cultural convergence, the shape of the struggle would be identical in almost every factory. The fact that it is not supports the view that cultural issues continue to influence outcomes. Essentially the democratic aim is always corrective, to counter balance "the exercise of power by the dominant group in the name of justice." (83) In practice in the six factories, the democratic aim appeared to be most successfully pursued at Hewlett Packard and GEC, and least successfully at Burroughs and Brother. Significantly, Hewlett Packard's company philosophy claimed to have a strong ethical foundation (84), and GEC's Kirkcaldy factory was in an area renowned for its religious and political radicalism. Burroughs and Brother seemed to be the most utilitarian of the six factories. Insofar as they were, they made the drawing of conclusions from a sample of two an impossibility. What can be said is that at Hewlett Packard there was a willingness to share information and to engage people in the decision making process, even if

this willingness was, in part, determined by the nature of the production process. Cressey's observations at Comco apply to Hewlett Packard. "The management style that sets the form of participation in Comco obviously has this economic context, but as fundamental, are the technological determinants of that management style. Burns and Stalker's work is very relevant here, for electronics is not merely economic growth but has technological and product change structured into its very work process. Hence in an environment of constant change one cannot work through bureaucratic, rigid frameworks, hierarchies of authority or separations of knowledge and ability into discreet ranks. One has to have an environment, a system able to adapt to the needs of change." (85)

Japanese emphasis on participation does not appear related to any conception of democracy per se, or to workers' involvement in corporate management. As already observed, the Japanese enterprises of this study were fundamentally hierarchical and patriarchal. Instead, participation appears to be a function of the Buddhist and Confucian need to maximise group harmony. If anything, the emphasis is on the need for managers to participate more in the production process on the shop floor. White and Trevor discerned this phenomenon at work in JEL, "Moreover to a most striking and extreme degree they were task oriented in the management style and practice," (86) and "While we have been puzzling over the intractable problems of bringing workers closer to management through participation and industrial democracy the Japanese firms have been rooting their management more firmly in the workplace." (87) The foreign employee's own cultural pre-suppositions seem to be conditioning their employment practices. The two quite different views of participation were on the whole being well received by the indigenous labour forces at Maxell and Brother. In this sense, the culture of the Japanese was being noted with enthusiasm by the British work force. The final assessment of cultural absorption is left to Chapter 8.

Finally the discussion of democracy would not be complete without a word on attitudes to trade unions. If employees individually have had little say in running the enterprise, traditionally they have, via trade unions, had an opportunity to share in major decision making particularly as this has affected wages and conditions. Chapter 4 gives a detailed comparison of company attitudes to trade unions in the six

factories. The demise of trade unionism in Britain in the 1980's, must be linked to the decline of interest in industrial democracy, the withering of consultative structures and the role of personnel departments, the emphasis on the centrality of line management, and the substitution of Human Resource Management for Personnel (as at Burroughs).

Two phenomena affecting levels of democracy can be said to have arisen as a result of these changes. Managers have begun to reassert their prerogatives, to roll back any incipient democratic tendencies, and to reinforce direct control over the total production process. "All managements, except the most supine, are seeking to extend their mandate over their work forces: in the main they seem to be succeeding." (88) Secondly, the commitment the members traditionally gave to trade unions is being actively courted for the company.

It could be argued that Burroughs move from a unionised plant at Cumbernauld to a non-union plant at Livingston with a human resources department in control of personnel was very much with the current trend and that Maxell's desire for a union agreement, albeit single union, was against the trend. On the other hand, Maxell and Brother's works councils with work place representatives may be a model for the future. Lord McCarthy is apparently arguing the case for works councils in a soon to be published Fabian pamphlet. Nissan at Washington, Tyne and Wear, have already gone down this road and indeed their Company Council negotiates salaries and conditions as well as being a consultative forum and part of the grievance procedure. (89)

The changing face of personnel management and the attempt to shift worker commitment from the trade union to the company represents a decrease in democracy. The Japanese arrival in Britain coincides with the changeover making it difficult if not impossible, meanwhile, to assess any effect their Japanese industrial relations convictions may have on industrial relations in Britain. Feelings at Maxell in particular, may indicate a degree of uncertainty on the part of management as to which road to take.

What is significant is that in the midst of this change, workers are not being consulted, their views are not being sought. There was no question, for example, of balloting the labour force at Maxell on union

membership. Thus at the wider level, product market pressures are imposing skill flexibility, changes in shift working, single union deals, non-union shops etc. Maxell, Brother and Burroughs were able unilaterally to impose all of these.

Conclusion.

Discussion in this chapter arose from a consideration of the second question of the programme, viz., how much, if any, of the culture of the employers is absorbed by the indigenous labour force? Certainly, it is clear by the way in which the two US companies and the two Japanese companies are organised and managed, changes in employee attitudes at work are being induced. Both sets of companies appeared to be making a bid for employee loyalty, but in two rather different ways. In the US companies, loyalty was being sought by encouraging a sense of individual self fulfilment, albeit within teams, which is very much in line with important strands in North American culture.

In the Japanese companies, loyalty was being induced by organising employees into teams per se. The team was the primary focus of loyalty so that the employee was loyal, firstly to his or her team, and then to the company. The 'casualty' in both US and Japanese factories was trade unionism. By inducing loyalty in these two different ways, a common result was achieved, namely, the marginalising of loyalty to a trade union. As a result of this, a further 'casualty' was the level of democracy in these factories. The labour forces were left with little or no channel to influence decision making, with the exception of employees at Hewlett Packard. Here the nature of the strategic core of the labour force, graduate technicians and engineers, dictated some need to share the decision making process at the micro level, if not at the level of plant manager and above.

Behind all these features, was a struggle to maintain and maximise control. In the short term, the Japanese looked as though they were being more successful than the Americans in this regard. Thus their factories had quickly become operational and quickly adjusted to meeting market demand. In the longer term, however, the American emphasis on

individualism and self fulfilment rather than team and company loyalty, may be the more successful in maximising control where it really matters, ie., over returns on investment, profitability, product innovation etc. There is a sense in which the Japanese approach represents an adaptation rather than a departure from Fordism, the organisation methods and socialisation associated with mass production. At first glance this may not seem too surprising as the plants at Telford and Wrexham were essentially screw driver plants, batch, if not mass production, factories. They were unlikely ever to be true mass production plants, but factories in which there would always be a high level of response to individual customer requirements. The modified Fordist approach may therefore be less appropriate in the long-term. The product design has to be adaptable to meet a flexible market demand in terms of quantity and product specification. The labour force has therefore to be flexible and thus the 'teams of self fulfilling individuals' road adopted by Hewlett Packard seems more likely to be successful than the 'teams of members' concept at Maxell and Brother.

The situation, of course, is not quite as simple as the above outline might suggest. At the technician and management level in R. and D. and product design in the parent plants in Japan, the Japanese could be operating in a more individualised and entrepreneurial way. Neither is it outwith the bounds of possibility that advances in technology will make the employment of production teams of whatever type, obsolete. With fully robotised production, the issue of team types could one day become redundant.

Returning to the central issue of this chapter, viz., cultural absorption, there were signs of a very fundamental shift taking place by the inevitable impact of Japanese attitudes on the prosecution of the task process. The fact that consultation is not an end in itself in the Japanese plants, but linked to team working, is the clue to a wider and more profound difference in approach to the whole business and production challenge. Both Western and Japanese manufacturing must of necessity concentrate essentially on the production task. In Western thinking, however, the production task is almost immediately seen to be in need of 'support' from a range of 'services', eg., consultation, information sharing, manpower planning, personnel policies and perhaps

even industrial democracy. This type of thinking is shared by virtually everyone in the Western enterprise. It is part of the cultural way of understanding the challenge of accomplishing a task. The task is understood essentially as a problem, the solution to which may be assisted by a range of supporting services. That is, the production task is perceived substantively. Similarly, the supporting services are thought of as concepts, subjects with substance, often meriting specialised attention and constituting areas of legitimate endeavour in their own right, perhaps in turn supported by academic study and engendering over time, a literature of their own.

The Japanese seem to reason in a rather different way. The production task is not isolated to become an issue in itself, but remains part of a process that begins with the initial business idea and ends with the delivery of the product to the customer. There is a radical concentration on the task process to such an extent that there is virtually no conceptualising of any 'support' functions, so that in practice, what are seen as necessary adjuncts to the production task, as listed above, are taken care of indirectly as almost everyone in the enterprise addresses him or herself to the task process. For example, with hourly contact between operatives, supervisors and managers, the impression is given that there appears to be little or no need for a separate consultative machinery. With this level of contact on a day to day basis, superficially at any rate, industrial democracy seems already to have arrived. Even some aspects of manpower planning appear to be common knowledge. Virtually everyone knows what manning levels need to be. They all have an idea of the future year or so for the factory, the possible changes in product range and type, and the likely impact on manning levels for the immediate future. It does not matter how accurate this perception is, the main point is that by high levels of contact between all grades in the factory, everyone soon gains the impression that they know almost all that needs to be known about the enterprise.

Thus the Western substantive, conceptualised way of thinking is replaced by a 'process' way of thought that has very obvious advantages for production. The substantive way of looking at solutions to problems in comparison, appears as something of a handicap but not an insuperable barrier to emulating Japanese practice. It will mean, however, that the

emulation of Japanese production will need the patience to study differences in approach to production at a much more profound level than comparing praxis on the shop floor and the humility to learn from those studies.

Notes to Chapter 6.

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21. R.T.Pascale and A.G.Athos, "The Art of Japanese Management", Penguin, 1981, p126.
22. Hewlett Packard, "Statement of Corporate Objectives", and burroughs, "Statement of Human Resources Philosophy".
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26. Socrates said, "My art is like that of the midwives, but differs from theirs, in that I attend men and not women, and I look after their souls when they are in labour, and not after their bodies: and the triumph of my art is in thoroughly examining whether the thought which the mind of the young man brings forth is a phantom and a lie, or a fruitful and true birth. And like the midwives, I am barren, and the reproach often made against me, that I ask questions of others and have not the wit to answer them myself, is very just - the reason is, that the god compels me to be a midwife, but does not allow me to have

children. So I myself am not at all wise. nor have I any invention or child of my own soul to show, but those who talk with me profit. Some of them appear dull enough at first, but afterwards, as our acquaintance ripens, if god is gracious to them, they all make astonishing progress; and this in the opinion of others as well as in their own. It is quite clear that they never learned anything from me; all that they master and discover comes from themselves." from, "Plato, Selected Passages", ed. by R.W.Livingstone, OUP., 1948, p19.

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82. See eg., P.Tillich, "Love Power and Justice", OUP, 1960.
83. P.Tillich, "The Socialist Decision", op. cit., p144.
84. See Hewlett Packard's "Statement of Corporate Objectives".
85. P.Cressey, op. cit. p47.

86. M.White and M.Trevor, "Under Japanese Management", Heinemann, 1983, p138.

87. Ibid. p139.

88. J.Lloyd, op. cit., p35.

89. P.Wickens,op. cit.,p141f.

CHAPTER 7.

CULTURAL CONCEPTS USED TO ACHIEVE COMPANY AIMS.

"American social science research over the past few decades has demonstrated quite convincingly that our group memberships have more influence over our attitudes, motivation and behaviour than does any other social phenomenon." W.Ouchi.

In this penultimate chapter before moving to some overall conclusions, the question of the most influential cultural feature at work in industrial relations is examined. The basic issue is the nature of the relationship itself - the relationship between people at work, one with another and group with group, as fellow employees, and as managers and managed. According to popular myth all are in the same boat. All, or almost all, are employees with only their labour power to sell. The interface between the two is blurred by those - usually senior managers - who may have significant share holdings in the enterprise and indeed some of whom may be family members of the main owners or former owners. While a further attempt has been made to obscure the nature of the division by share owning schemes, some of which have already been mentioned in this programme, such share holdings are usually insignificant in comparison to the total, and there is little evidence to suggest they influence the nature of the basic relationship between the major owners and the employee, or even the nature of the relationship between employees, managers and managed. Chapter 4 indicates that the findings of the present programme corroborate these doubts.

It is the nature of the internal relationships which are to be examined. These relations are at the core of industrial relations. Their practical outcomes (eg., absenteeism, quit rates, working conditions etc.,) and their psychological responses(eg., motivation, satisfaction, loyalty, etc.,) have already been examined. Now the style and character of the relationship itself is examined.

Employees as members of a family.

While many firms have traditionally, and usually obliquely, looked on employees as a family, at Maxell and Brother the Japanese had grasped this culturally conditioned image and told their employees in Britain to call themselves members and not employees. Family is a concept related to origins. Every human being is able to give the word some content. More importantly for this study, almost every different culture gives the word a different content. As far as people working together in

a factory are concerned, do these differences matter? If almost everyone holds variations on the theme of family, do cultural variations also make a difference? The answer in this section is in the affirmative. Just as personal views of family based on experience of family can have profound effects on inter-personal relations, so cultural differences can have significant effects on group relations, group harmony and group dynamics, all of which are of economic importance where several hundred people work together.

When thinking of the cluster of cultural and religious ideas which have contributed to the modern Japanese perception of the family, there are a number of particularly important strands of which account must be taken. Consequently when the Japanese talk of moulding a labour force into a family, they mean something different from what is meant when British and American companies talk of forming a family awareness within their labour forces. Furthermore, it is unlikely that a distinction between the Japanese perception of family and the more Western views of family will be understood by a typical British labour force. Of the seventeen people interviewed at Maxell, fourteen said they they felt the management's view of the firm was that of a family. Admittedly, the word "family" was suggested to them as one of four alternatives.(1) Nevertheless they did give the impression that they were very comfortable with the use of the word in this context. They claimed that if left entirely to themselves they would have used the word "family" to describe the network of relations at Maxell. What was going on around them did however, illustrate that a rather particular view of the word "family" was being established. There are many illustrations of this. The company's view of promotion is one example. Several interviewees made it clear that the company had not made any promises of advance for them through the structure. Instead, a deliberate air of ignorance seemed to have been cultivated around this subject. In reality, such opportunities were either absent or extremely unlikely for a large section of the labour force. Although the Japanese had been careful to promote the view that all were members of one large family, and that all had to be flexible in their attitude to the variety of jobs to be undertaken, they had been equally careful not to implant any seed of ambition in a majority of the labour force. They were being asked to be members of a

family in which they never grew up. The management relation with the labour force was that of parents to children. Befu sees this as a characteristic of twentieth century Japanese working. "What developed..... in the early modern period and continued to World War Two was the ideology of paternalism, according to which the whole company was regarded as one big family and the management to be considerate to the workers as parents would be to children." (2)

A second important connotation for the Japanese in the word family, is the belief in the stem or core family(ie). Befu defines the stem family as "all who live together and share social and economic life." (3) This may or may not include employees. The core continues through succession and inheritance and is sometimes called the "household". There is no necessary distinction between kin and non kin, but the group is correlated to its corporate economic activities, whether these be in farming or trading. Indeed, it is the corporate economic activity rather than consanguinity, that gives the stem its raison d'être. Significantly, the words for parents and children in Japan mean "leader of workgroup" and "member of workgroup" respectively. (4) The concept of family (kazaku) as a social grouping apart from any economic activity, was introduced from the West at the time of the Meiji restoration. (5) Two immediate consequences followed, a sharp distinction between kin and non kin, and the payment of wages. The former has led to the gradual replacement of stem nuclear families by conjugal nuclear families. Nevertheless, the concept of kinship groups, embracing non kin, remains widespread in modern Japan and gives rise to the following features which are still extant in Japanese economic life, a hierarchy under one leader, a paternal relationship between leaders and followers, and the protection of the followers by the leader in return for loyalty. The ideological base for the system rests on a sense of obligation (on) in terms of an awareness of repayment of debt to the leader. (6)

At Maxell the paternalism of company relationships was set by the Japanese Managing Director and displayed in his imposition of small details of dress and deportment which he impressed on the labour force. (7) One of the senior British managers in the factory discovered how seriously a breach of obligation or reciprocity was viewed. He felt that senior British managers should have received more generous sick pay

terms than fifteen days of sickness before wages were halved. When he put this point to the Japanese Managing Director he was surprised to see how angry the Managing Director became. "I can't understand why he became so bad tempered and insisted I accept the same conditions as everyone else," he complained. As far as the Japanese were concerned, it was not a question of the company owing the employee something, but of the employee being in debt to the company!

Family concepts also influence career development which in turn raises a basic epistemological issue that illustrates the gulf between Japanese and Western cultures. In the West, coping with employee aspirations is seen as a problem seeking a solution. In this regard, Western companies reflect Western cultural thinking dominated by Judaic/Christian and Greek influences. Human existence, and especially economic life, is perceived as a series of problems seeking solutions. By contrast, Japanese thought tends not to recognise a dilemma here for the majority of the labour force. It is simply part of the way the world is.

Susuki Hideo(8) argues that the perception of life in the world as a series of problems looking for solutions has its roots in the clear cut distinction in Western religious and philosophical thinking between good and evil. Japanese society has been largely uninfluenced by this background. Japanese thinking is rooted partially in Buddhism which it received from China through the efforts of Prince Shotoku in the 6th. century, (9) although it had already been filtering through to Japan from Korea fifty years earlier. Buddhism operates by the logic of Lemma(10). This is a thought form that emphasises the inter-relational character of everything rather than explaining differences between objects and ideas. By contrast, Hellenistic Christianity, rather than Jewish Christianity, makes distinctions between things, and is therefore essentially confrontational, where Buddhism is inter-relational. In Christianity, God creates everything and ends everything. In Buddhism everything is related together, nothing is created and nothing ceases(11).

Hideo suggests that this distinction is based on differences of pre-historical origins. Judaism and Christianity emerged in a desert setting, where it was necessary always to seek for water. It was of crucial importance for people to choose the right path when wandering

across a desert. They were therefore faced with a stark choice between right and wrong, often between life and death. Buddhism emerged in a jungle society where the acquisition of water was not a problem, and where the environment was crossed with many paths, each one of them leading to life giving possibilities. Hence the stark choice between good and evil, life and death, was not faced by the early Buddhist.

As far as the Maxell factory was concerned, the career aspirations of the labour force did not appear to be seen by the Japanese as a problem. It was the way life was and would naturally resolve itself. In Brother Industries this was somewhat sharpened by the view that a substantial labour turnover in the fifth or sixth year after joining the company would not be entirely unwelcome. Any accumulating frustrations concerning career opportunities and even rates of pay would thereby be removed and an opportunity given to the company to recruit a new batch of young, malleable labour from the local schools. The fact that much of this labour was female was also culturally compatible with Japanese attitudes(12).

In the traditional Japanese family, one woman was given a substantial position of influence and autonomy. "The merchant tradition in which the husband had the right to manage his wife's money, but not to own it, differs from the Samurai tradition in which the wife handles the money. Today most Japanese wage earners follow the Samurai tradition in that their wives manage all of their hard earned money. This tradition was influenced by Confucianism, which considered rice honourable and valuable, but saw money as unclean. Men earn money through their work but are not to handle that unclean money".(13) All other females in the family were given much less status, some of them even unlikely to be considered part of the overall assets of the family, but rather a liability to be traded off at the earliest opportunity. In traditional Japanese life, the mechanics of this essentially personnel function were accorded relatively low status(14). Likewise, in the modern Japanese company, the personnel department often seems to be accorded relatively low status in comparison to equivalent Western companies. The company director responsible for personnel, for example, is often not a personnel specialist(15). At the Maxell factory, the non-graduate Personnel Manager was relatively inexperienced, and in contrast

to the British Production Manager, was employed on a six month contract. This could be interpreted as a sign that the Japanese were particularly nervous about industrial relations and were leaving themselves the option of changing their personnel manager, if and when necessary. Nevertheless they must also have been aware that it did say something about his status, or lack of it, in the company hierarchy. The Personnel Manager had not been one of sixteen people sent to Japan for training. It could be argued that since Maxell was setting up a company in England, there was no particular value in sending a senior personnel manager to Japan, where the culture and labour force was so obviously different from that in Telford. At the same time they must also have been aware that the visit to Japan was likely to give, to those who shared in it, status in the eyes of the labour force, which was bound to subtract from perceptions of the Personnel Manager's importance.

At Brother there was no personnel department per se. Administrative functions were executed by the Japanese managing director's secretary. Personnel, as such, was the responsibility of the British Production Manager, who had no particular expertise or training in personnel, being primarily a production engineer.

A further strand in the Japanese concept of the family is the cultural phenomenon which Ruth Benedict calls, "Taking one's proper station". (16) Benedict alleges this is fundamental to Japanese society. Every person, certainly within the family and the house, has a particular station or role to play in accordance with genealogy and seniority. Filial piety means, in fact, adopting that role and living it to the best of one's ability. Since it is based not only on genealogy and sex, but also on age, there is a kind of dynamic built into the role. With advancing age people continually learn and adopt the changing role characteristics, so that for the adult Japanese, life consists of a plethora of standard roles appropriate to specific situations and relationships. Only the very young and the old are free from these constraints. Some consequences of this approach to life could already be seen at Maxell and Brother. First impressions at the factory led to the conclusion that there was an apparent egalitarianism which is often absent from Western companies. The material features of the work

environment looked like a contribution to this egalitarianism, single status canteens, toilets, car parks, entry and exit to the factory, work wear and welfare facilities. These were apparently reinforced by morning exercises, the general accessibility of management to the workforce, the overt personal attitudes of managers in private conversation, the open plan design of office accommodation and the general lack of clearly defined signs of status. In many respects, however, the egalitarian image was an illusion, masking a much more complex cultural phenomenon, namely the view that everyone has a station in life to which there is attached an appropriate role(17). It was clearly seen in company attitudes towards women. Many of the female employees made it clear that they had already noticed that there were no women supervisory posts at Maxell and few at Brother. "They discriminate against women", said one respondent. In fairness to the Japanese, it must be said that their concept of the company is, in general, more conducive to the male lifestyle than that of the female, in both Japanese society and Western society. They expect their Japanese staff to be away from home for periods up to five and even seven years(18), and to be free to move virtually anywhere in the world at the behest of the company. On site it was clear that the Japanese staff did, in fact, work long hours of overtime stretching from 5 o'clock in the evening to 9 and 10 o'clock in the evening. This performance was also expected of the senior British managers. The Japanese described this philosophically as "Finishing the day's work on the day in question". While there are, no doubt, many women who would welcome the opportunity of adopting this working lifestyle, the overall Japanese view of women in society still sees virtually no place for them in this kind of working structure.(19) The obvious result is an essentially male oriented perception of the labour force.

Taking one's proper station and accepting the appropriate role manifest themselves in other ways which tend to erode superficial views of the apparent equality of all in the labour force. At Maxell the senior Japanese manager seemed to enjoy a frankly paternalistic position. Ostensibly on the grounds of safety, he had insisted on one of the male supervisors removing his moustache. This had induced the Personnel Manager to do likewise since he felt he was expected to set

an example. On other occasions this same Japanese manager had been known to ask people to stop whistling and to walk without putting their hands in their pockets. These injunctions not only eroded alleged egalitarianism, but also contributed to the faintly regimental ethos of the factory.

Additionally, awareness of one's role on site might be the reason why the Japanese employees took British first names, by which they liked to be known and addressed by the British labour force. Certainly this must have contributed towards their adopting the role of the friendly, equal, Japanese source of help, and to remove awareness of difference and strangeness

One of the most difficult aspects of the Japanese concept of family is the complex relationship between individuality and group. Much has been written about Japanese groupiness, particularly as this manifests itself in business and industry. (20) Yamamoto asserts that the Japanese are highly individualistic in comparison to their neighbours. "One aspect of Japanese culture that is very often misunderstood is the fact that Japanese are basically individualistic in comparison to other East Asians such as the Chinese and Koreans." (21) Maxell seemed to be a typical example of the simultaneous encouragement of the development of individuality and collectivity. The wages system was clearly structured to encourage competition between individuals. As already noted in Chapter 5, the Personnel Manager made it clear that at the beginning of the factory's life there was a deliberate introduction of a wage payment system, such that one individual did not know what the wages of another individual were. This was very similar to the wage payment system at Hewlett Packard. The hope was that the labour force would adopt a more middle class outlook on wages and be reluctant to discuss details with neighbours. In practice, this was swiftly eroded and within months people were sharing details of their wage packets with their neighbours at work.

The Personnel Manager explained it as follows; "Wage levels aren't secret. We can't stop people talking. I think we were a bit naive when we started. We thought if we presented people with a 'staffstyle' situation, people that have not been used to that system would accept that it's confidential and we didn't intend it should be talked about.

It is, and that's human nature I suppose, but B and I thought that by making people more responsible then they would not talk about salaries."

There is evidence here of British managers underestimating the effects of socialisation on the labour force and the strength of that socialisation. The management aim was clearly not only to eliminate demarcation between blue and white collar workers, but to individualise the labour force in a way that was foreign to their own culture at home and in the local community.

A second aspect of the wage payment system also illustrated its radical individualising tendency. Again, the system was very similar to that at Hewlett Packard. After a year's employment, the individual's immediate supervisor was asked to submit to the senior managers a statement of what he felt that individual was worth. The supervisor was asked whether or not the employee should receive an increase in wages, and if so, by how much. The two senior British managers decided whether or not they would take the supervisor's advice. The employee was notified by a slip in his wage packet whether or not he was getting an increase, and if it was an increase, the amount. If the employee was unsatisfied with the contents of that letter, he was allowed to make representation on his own, first of all to the supervisor. The supervisor relayed the grounds of appeal, as it were, to the senior British managers. The employee was then asked to appear before the two senior British managers and one Japanese manager. At that meeting he was expected to present his case for an increase or for an increased increment. Clearly this was quite a daunting prospect for many employees and that the system was weighted heavily in favour of the management decision. Since there was no trade union presence in the factory and no system of workers' representatives, the individual had no alternative but to present the case himself. It also led to at least two negative outcomes, a belief that there were favourites in the labour force(22) and unrest at a time when real earnings were declining in comparison to the regional norm.

In contrast to the Japanese view of the family, perceptions of the family in Britain and North America are probably very similar. The word is almost entirely restricted to a consanguinous group. The nuclear kin family is deeply embedded in Western culture and to use the word in

connection with an economic group is almost offensive. Western thinking seems more definite and more full of contrast than Japanese thought. Although the word family is occasionally used in connection with groups other than the kin group, it has only a shadow of its "real" meaning, and often means no more than that people are friendly or have lived for some time in the one area and perhaps went to school together. This was very much the impression given at GEC's Kirkcaldy factory, where the labour force was largely recruited from the immediate area.

There is an implicit recognition on the part of factories like GEC and Lemac, that for working people the family of origin is the correct locus for the word "family". In Japan, the family of origin is in effect a succession of families, the family of birth, the family at school and perhaps university, and the family of the company. (23) Each one takes over something of the parental role of the previous one.

In Western culture there is no succession in this sense. The family of origin is superseded by the new nuclear family, a phenomenon to which Jewish interest in the power of heredity, and the centrality of the Holy Family in Christianity may well have been powerful contributors. It is a perception that leaves room for the wider community. The Western family is not a self sufficient unit. "We are certainly not suggesting that the family can be self sufficient. Although three generations can muster more resources than two, there are still many essential services which no family can possibly provide for itself. Few grandmothers can perform operations or teach algebra. Few grandfathers can, on their own, maintain children stricken by illness or unemployment. Children, unaided cannot support their parents through the years of retirement. The family is not a society on its own, merely part of the wider society....." (24)

The preindustrial family in Japan was primarily an economic unit. (25) Since industrialisation, large companies aim to provide for workers and their families from the cradle to the grave. Companies themselves live in "self sufficient" conglomerates (26) where one of the few external commitments is to Japan itself. (27)

There are also a number of similarities with practice in Britain. A feature of British families in the workplace is the return of the practice of speaking for relatives. Young and Wilmott noticed this when

they wrote, "Since relatives often have the same kind of work, they can sometimes help each other to get jobs. They do this in the same way as they get houses for each other - by putting in a good word in the right quarter- and reputation counts for one as much as for the other." (28) At GEC in particular, but also at Lemac, there was a significant number of people related to each other. Dore noticed that this was a feature of Hitachi. (29) Secondly, acceptance and affection are marks of working class family life in Britain. Likewise in Japanese company families, people are accepted and kept on the payroll even although their performance may be less than adequate. (30)

Finally, the Japanese practice at Maxell and Brother of encouraging men to socialise after hours, was reminiscent of a former style of working class life in Britain, where working men saw the local bar as virtually an extension of the living room. "The men's refuge was the 'conversation, warmth, and merriment of the beer shop, where they can take their ease among their mates'". (31)

The large Japanese enterprise in Japan thinks of itself as a family and relationships within it for the permanent workers are expected to be familial in character. Like the natural family there is an assumption of a common culture with shared values. Employees are expected to accept the calibre of those around them in the enterprise, as they would in a family. In other words, a certain fatalism is expected with respect to colleagues who may not be performing as well as others. The employee is expected to conclude that this simply means he or she will need to work harder, more consistently or longer hours in order to compensate for the effects of the poorer colleague. It may be possible to minimise the effect of such a colleague by promoting him, but to the side of the mainstream of the section, making way for more able people to take his place. What is apparently unthinkable is that he should be sacked, just as it is impossible to sack a member of a natural family network. (32) This is one of a number of features of the Japanese employment system that often seems overlooked by employers in the West seeking to emulate Japanese management practice.

Furthermore, employees of large companies in Japan appear not to see themselves in a contractual relationship with the enterprise. Their relationship is cultural/ideological in character being based on

commitment. This is not to say, however, that the contractual element is absent. Rather, it is embedded in Japanese views of the family. According to Mouer and Sugimoto, "The origins of these contractual relations, as Nakane(1967 and 1973) suggests, can perhaps be found in the notion of the ie, the family which is tied together as an organisation by instrumental relationships and by a specific set of goals as an economic enterprise, not as an emotionally based kinship unit linked primarily by blood and sexual intercourse."(33)

When therefore the large Japanese company calls itself a family, the notion of contract is already in place. The use of the word family has therefore coercive as well as benevolent connotations. There was no evidence that anyone in the labour force at either Maxell or Brother was aware of the contractual element in the Japanese use of the word "family". It appeared to be universally accepted in these two factories that "family" implied a paternalistic view of the labour force on the part of senior managers.

However, at Maxell and Brother, the labour force, encouraged to see themselves as a family, responded to this mild paternalism with a vague feeling of benevolence towards senior Japanese managers. In fact it was clear that a more robust paternalism was being exercised that might be better called "welfare company-ism".(analogous to welfare state-ism).

The word 'paternalism' has at least four aspects. It is first of all ascriptive in the sense that it suggests the relation between a father and his child. It is diffuse in the sense that the relationship embraces the totality both of the child's life and of the father's life so that there is no occasion when the relation ceases to exist. It is particularistic in the sense that the father's obligation extends only to his particular children and not children in general. Finally, it is affective in the sense that the relationship is emotional and moral rather than contractual or economic.

Following this analysis of paternalism, Dore(34) suggests that in the workplace, paternalism implies ascriptive characteristics (kinship, caste etc.) so that employers will tend to recruit on the basis of, say, family ties, rather than ability. Paternalism also implies that the employment relation is diffuse rather than specific since it embraces

the totality of the employee's life rather than simply demanding labour for a wage.

Furthermore, paternalism implies that the employment relation is based on particular obligations, eg., the duty of the employee to work hard for a particular employer and the duty of an employer towards his employees, rather than universal obligations such as the need to be profitable or to maximise earnings.

Finally, paternalism suggests that the relationship is affective, an emotive human one and not simply an economic one. When the relationship between employer and employee in large Japanese companies is examined, elements of all four aspects of paternalism can be detected. The Japanese are taught there is a sense in which the nation is descended from an original monarch. Corporate welfareism suggests that the large company in Japan takes an interest in the totality of the employee's life. Lifetime employment suggests that the employee, at least, willingly or otherwise, understands the employment relation in terms of one company only. The practice of gathering socially after working hours may have a number of motives but indicates at least some desire to encourage the employment relation to be affective.

The modern Japanese company in Japan may not be as paternalistic as the merchant houses in pre-industrial times. Nevertheless, given the presence of the aforementioned elements, it is fair to describe the modern Japanese company in Japan as paternalistic compared to Western industrial organisations, recognising at the same time, that these elements of paternalism are probably present to some degree in most work organisations. There seems to be no need therefore to avoid the term paternalism in favour of 'welfare corporatism' as in Dore.

If the styles of organisation and relations in Western and Japanese companies were to be rated along a continuum from thoroughly paternalistic, as defined above, to purely contractual, large Japanese companies in Japan would be close to the paternalistic end and British companies, like GEC and Lemac, close to the contractual end. Hewlett Packard and Burroughs would also be close to the paternalistic end of the continuum but where would Japanese companies in Britain, like Maxell and Brother, lie? The ascriptive element is absent. The diffuse element is not at all developed although there were signs of some elementary

desire on the part of the Japanese managers so to do. After hours socialising was being encouraged at Brother, and Maxell was developing a sports and recreational side to company life.

Teamworking and in-house training were encouraging the basis of the employment relation in a specific rather than universal direction, tending to make the employee company specific rather than craft specific. The affective aspect of relationships in Maxell and Brother was to some extent being developed by the continual presence of managers and supervisors on the shop floor. Altogether, there were signs of an overall development towards a paternalistic model of industrial relations.

Furthermore, there were signs of another dimension to paternalism, as outlined by A.Fox(35), beginning to develop. Fox suggests that the paternalistic relation implies a hierarchy of value where "The key principle is that the junior, subordinate, or inferior participant is defined as having certain 'true' or 'real' interests which he or she is incapable of perceiving or pursuing."(36) The employer adopts the role of superior and assumes responsibility for those interests in return for obedience and loyalty. When this is challenged, as happened at Maxell over the issue of sick leave arrangements for British managers, the "dissaffected are condemned as wickedly ungrateful."(37)

It is precisely at this point that the element of coercion arises for those who assume the role of protector often also assume control.(38) This could well prove to be a contentious area in the future for industrial relations in Japanese plants in Britain. If the Japanese continue to retain the high grade work (eg., product design and R. and D.)in the parent plant in Japan, it is but a short step to seeing the foreign labour force as inferior. Furthermore, as the welfare state in Britain continues to wither and individuals become increasingly responsible for their own social protection, the potential protective role of the company is likely to be enhanced with attendant increase in the element of labour force control.

The Western contractual type relationship was perhaps best seen at the GEC factory. "In the West, the relationship between pi, a newly recruited member, and ri, which is an individual role expected to be performed by pi, is that of contract."(39) The employee contracts to

work for a company which, in its turn, contracts to provide him with reasonably well remunerated work, in reasonable conditions, and with a useful impact on the economy of the local community. When the enterprise is perceived to be failing to meet its side of the contract, albeit for well understood market reasons, employee feelings towards fulfilling their side of the contract quickly evaporate, giving an immediate impression of ingratitude and emotional distancing from the enterprise. The strength of the contract depends on rates of pay and conditions and perceived job security.

At Maxell and Brother, however misplaced, there was certainly a strong sense of job security and almost everyone interviewed said they thought the future for the factory was "assured". Although in recent years it was felt rates of pay had slipped below average for the area in which the factory was located, as had also holiday entitlements, there was already detectable an incipient awareness of the enterprise as a family on the part of employees in the Japanese owned factories. The initiative was being most firmly grasped by the company itself. There would be a number of reasons for this, the most important of which was likely to centre on the conviction that production meant teamwork. P. Wickens dwelt on this when recalling company attitudes not only in Japanese companies but also in American companies. "Specific reference in the Nissan philosophy statement is much simpler 'We recognise that all staff have a contribution to make as individuals but in addition believe that this contribution can be most effective within a teamworking environment....Our aim is to build a company with which people can identify and to which they feel committed.' In simple terms teamworking means having all employees committed to the aims and objectives of the company, ie., recognising that each individual has a valued contribution to make but that we should aim for everyone working in the same direction." (40)

The need to work as a team, however, is so self evident one wonders why it is given so much emphasis. What is clearly meant is not that everyone must work as a team, but that all must work as a super-efficient team to maximise profitability with an attendant transfer of loyalty from traditional cultural focii in, for example, trade unions, political parties and even churches, to the enterprise. By calling the

team a family as at Maxell and Brother, several points were being made. An attempt was being made to minimise competition between individuals and to maximise the virtue of helping each other. There was an implied assumption that the team would be prepared collectively to give extra effort in the face of difficulty, and to accept a radically simplified hierarchical structure of authority, command and loyalty (as, for example, in the armed forces), which left little or no room for competing loyalties and authorities based, for example, on religious or political ideologies. Implicit in the team concept was an absence of demarcation of duties and a willingness to work long hours of overtime. At Maxell and Brother there was a high level of job flexibility, a readiness to work long hours of overtime and a growing desire to socialise after hours. A cultural concept was being used to reinforce production needs, and it looked as though it was being effective. Already since the research was undertaken, Brother have announced an increase in their labour force to four hundred.(41)

Wickens reminds his readers that the same approach is adopted by many large companies(42), American and Japanese, and that in every case the emphasis on teamworking is seen as a prelude to maximising employee involvement and strengthening employee commitment to the company. What he omits to say is that there is no necessary connection between teamworking and employee involvement and/or commitment to the company. To make the connection, a cultural concept has to be introduced. Traditionally in nationalised industries and industries in East Europe, the cultural concept of the national good was invoked. Japanese industry still uses this in Japan, but clearly there are difficulties when manufacturing abroad. Hence the recourse to the concept of the family. It is significant that one of the most spectacular failures in this regard, in 1988, was that of Ford (UK) whose labour force have traditionally exhibited strong trade union loyalty. Ford showed every sign of being keen, if not desperate, to emulate work practice at Nissan. Their failure to introduce flexible working practices, to eliminate a number of demarcations and to introduce Employee Involvement may well have foundered on the absence of an appropriate cultural concept on which to base the whole programme. The unions, appreciating

the position, are struggling hard to maintain traditional loyalties which of course are heavily culturally conditioned.

But to return to perceptions of the family, in Hewlett Packard this sense of belonging to a family was perhaps even more developed. One interviewee said, "I think they (management) do a good job of treating employees as part of a family. Management has developed a real interest in their employees. Everyone is on first name terms."

Notice the assumption that to be treated as part of a family is a good end in itself rather than, say, being treated as part of a football team. Clearly a question of people's ultimate concern is raised here. Many of the female employees interviewed in all six factories said they were working for money for their families. They implied that if their family made less financial demands on them they would not be at work at all. In the early 50s, Young and Wilmott detected a return to the centrality of the family amongst working men in East London. "These preliminary impressions suggest that the old style of working class family is fast disappearing. The husband portrayed by previous social investigation is no longer true to life. In place of the old comes a new kind of companionship between man and woman reflecting the rise in status of the young wife and children which is one of the great transformations of our time." (43)

In other words, the family is the ultimate concern and feelings of belonging frequently find their strongest resonance in attitudes to the family. In modern Western society, where people can experience loneliness and alienation, the family is one of the few remaining traditional loci for a sense of belonging. "But their (the people of Bethnal Green) sense of belonging cannot be explained simply by long residence. It is so deep because it is rooted in a lasting attachment to their families." (44) Where people feel alienated at work, the induced sense of belonging to a family grouping must obviously be a powerful antidote. By encouraging people to see themselves as part of a family, the Japanese can tap into this universal tradition, but without the particular cultural associations surrounding the concept of the family in Japan. Accompanying levels of obligation, loyalty, acceptance of authority and willingness to work unpaid overtime seem unlikely to

materialise and showed no signs of developing at either Maxell or Brother.

The East West divide.

In the group of six factories there was a basic division between East and West and a further subdivision between North American West and British West, and perhaps, just to complicate the analysis further, between English West and Scottish West. A commonly held view amongst scholars is that the division between East and West opened after about 1600 ad. Until then, the known world was all Eastern in ethos. (45) Significantly, it is to c1600 that industrial relations theoreticians, such as Hobsbawn, date the inception of contractual type relations in Britain. (46) Also, ad. 1600 marked the beginning of the Enlightenment and the full sweep of the Protestant reformation in Europe.

Eastern civilisation emphasises the aesthetic, while Western civilisation focuses on the theoretical. Eastern civilisation is essentially emotional and traditional, addressing itself to feelings and appealing to mysticism, contemplation and religion. It is therefore intrinsically static in its total conception and development. (47)

Western civilisation is dynamic and fundamentally restless. It gives rise to a Western personality, that of Western man, who is largely divorced from locality and is at "home" anywhere in the world, not only the material world, but the world of ideas and even of time. He ranges over past and present and is not afraid to theorise about the future. Such a man is no longer in a child-like relationship to the natural environment and aware of the sense of mystery in the world. He is adult, man come of age, who went on to use the environment, to overcome the world and effectually to replace the old gods of religion, mystery and nature. So the the Western mind focuses on concepts and abstract theorising, deriving from its Greek origins. Instead of appealing to the emotions, it enjoys a fascination for change based on experimenting with the material. Its mode of expression and understanding is not mystical but historical.

It is significant therefore that the induced sense of belonging in the Japanese owned company is based on the tradition of the family. Van Leeuwen explains the phenomenon thus, "If we compare a peasant in an occidental village with a shopkeeper in an Eastern city, the latter may appear to be more occidental than the former; but the crucial point is that in the present age the occidental village is coming to be the satellite of the big city, whilst in the East on the other hand, the agrarian spirit of the village with its strong sense of the solidarity of the familial group is carried over into the larger agglomerates." (48)

Essentially in Japan, family implies patriarchy, order, deference, mutual support and subversion of individual ambitions and desires. Fulfilment is understood in group terms and the total unit is essentially static, conservative, and in a sense, timeless. (49) In the American owned companies the sense of belonging was induced by an appeal to maximise self interest. (50) The family was essentially a collection of individuals. Self fulfilment was a key concept. (51) Employees competed against each other, and were bound together in the enterprise, not by bonds of emotion, but by material concerns for the product and its profitable development. They were as much aware of the history of the enterprise and its product market as employees at Maxell and Brother were oblivious to these factors. Interviewees at Hewlett Packard spoke with concerned understanding of the market for telecommunications test equipment. Many employees at Burroughs knew of the impending takeover of the Sperry Corporation and wondered about its impact on the Livingston factory. By contrast, interviewees at Maxell and Brother, without exception, made no reference to their end products, video tapes and electronic typewriters. Apart from the small group who had been to Japan for training, and apart from senior managers, no interviewee appeared to have any knowledge of the Japanese parent company. Employees at Hewlett Packard and Burroughs had a daily opportunity of observing the changing product market situation and fluctuating company fortunes. Career opportunities were also obviously high on the list of personal priorities. There were signs that the labour forces at Hewlett Packard and Maxell were to some extent being partially conditioned by two contrasting sets of cultural attitudes to the capitalist mode of production.

Behaviour at GEC and Lemac indicated something of uninfluenced (ie., uninfluenced by foreign cultural mores) behaviour at work. The sense of history and change was still alive. It was not so much an appreciation of change in the sense of progress, but change in the sense of an all-pervading awareness of transience. When talking of promotion, for example, one employee said, "There is just no chance of that here at the moment. Things are just too uncertain". At Lemac, a production operator complained, "It's just the nature of the firm. There was redundancies and half the factory went. Now everyone seems to get mucked in. You're on such a thin line between going overboard and success. At the moment its touch and go." The impact of this sense of change had led more to lethargy than endeavour, to fatalism rather than evangelism and to feelings of introspection and insecurity rather than market dominance and company and individual self confidence.

A new spiritualism?

Prima facie the need to belong is a first choice concept on which to build a new so-called secular "spiritualism". Pascale and Athos call "spiritualism" one of the "superordinate" goals of leading American companies, part of a "higher order" set of human values. (52) They argue that commercial success depends not only on organisational blueprints, but on the adoption of a number of overarching objectives which have a moral character and effectually bind the day to day goals together. In Western culture, they complain that such values have been hijacked by the church and that it is seldom possible to talk of spirituality without implying religiosity. They argue for the separation of "spirit" and religion, alleging that this is the situation in Japan.

They seem to confuse, however, apparent secularism (sic Japanese society) with more authentic secular society as seen in the West. Furthermore, they seem to be ignoring a basic contradiction. Capitalism has given the world the non-spiritual, non-religious secular society. It asks only that people produce, provide services and consume. In all the conversations that were held in the six factories, only the Personnel

Manager at Burroughs mentioned the social use and consequences of the product. Apart from the six personnel managers, only the nine trade union office bearers interviewed made mention of the social organisation of labour and were prepared to reflect on industrial relations generally.

The aegis of the moral/spiritual/religious presupposes that people are primarily the way they are as a result of non-material relations. Secular by definition excludes "spiritual". "What is needed", according to Pascale and Athos, "is a non-deified, non-religious spiritualism that enables a firm's superordinate goals to respond truly to the inner meanings that many people seek in their work." (53) It is, however, difficult to understand how superordinate goals which lie in the realm of values can be divorced from a theoretical framework such as that provided by a religion, a philosophy, or Marxism. The "inner meanings that many people seek in their work" do appear to imply a theoretical framework. The capitalist mode of production per se has no room for such a framework, so that the search for "spiritualism" within the production process, and apart from the church or some similar agency therefore seems doomed. The radical alternative arises from the work of Marx and Engels. Dialectical materialism suggests, without appeal to religion or spiritualism, that values are inherent in the material world and will inevitably emerge when the material (ie., economic) conditions in which people live and work are conducive for emergence.

"The economic structure of society always furnishes the real basis, starting from which we can alone work out the ultimate explanation of the whole superstructure of juridical and political institutions as well as of the religious, philosophical, and other ideas of a given historical period." (54)

Marxism, like Christianity, commands both hope and faith, neither of which fit readily into the economic base of the capitalist enterprise. By searching for overarching values within the capitalist enterprise Pascale and Athos ignore the fact that enterprises merely draw on value systems already present within their cultural milieu. More seriously, the "spiritualism" already adopted by the companies cited by Wickens (IBM, Hitachi, Easton, Continental Can etc.), often appears to be a cynical use of widespread social concerns (eg., family) to promote

an economic end, but, as will be argued in Chapter 8, they must not be lightly dismissed. They do have some coercive influence over the relations of production. This is particularly true with respect to the way in which Japanese companies in Japan link commercial success with national benefit. In this regard it may be argued they also appeal to the "inner meanings that many people seek in their work".

Employees As individuals.

Employment praxis is influenced not only by perceptions of employees as a family but also by perceptions of employees as individuals. While Japan is commonly thought of as a "groupy" society, Mouer and Sugimoto caution against too generalised conclusions of this nature in cross-cultural studies. In fact they argue that "...a close look at Japanese society will reveal healthy expressions of self interest, non conformity and differentiation of one individual from another. The argument is not that the Japanese are more individualistic than Westerners on a quantifiable scale, but that Japanese have developed in their own culture a number of ways, some qualitatively different, by which they can express their individualism." (55)

Individualism in terms of self fulfilment was a much valued concept at Hewlett Packard as has already been noted. It was rooted in a labour force perspective that saw people simultaneously as individuals and as part of a collective. It was, however, a balance between the two. While there was much emphasis on individual development and individual contribution, it was always within a framework of the maximum benefit for the enterprise. There was no pursuit of individualism for its own sake. As in the Japanese companies, individuals were also expected to fit in. Peter Cressey speaking of Comco, says, "A line manager remarked on how he could spot people who would not fit in to the Comco way- they were those who kept their jackets on, who wanted fairly well defined areas of job responsibility and a more formal sort of work relationship." (56) "People who keep their jackets on" would have stood out also at Hewlett Packard. Nevertheless, within a framework of the

perceived overall good of the factory, individuals were given some scope to shape the work as they saw fit. This could occur both at the research level and at the level of the production line. One design engineer said, "I design the work. I set up my own objectives and I determine in advance the way the project will run." At production level, a first line supervisor said, "People are happy working here not because they can compare it with a previous employer. I have forgotten what it is like to work for another company. What I like is the way I am given responsibility to do the job my way. This freedom means more to me than anything else. As far as I know this is how it works throughout the factory. Management treat people as individuals." This approach to people was very clear in the wage payment system, in the system of setting objectives and the system of flexi-hours of working.

In speaking of the changed atmosphere in recent years, a number of employees indicated that one of the casualties of the change had been the degree of individual freedom previously enjoyed. This awareness seemed to be accompanied by a conviction amongst some managers that a gap was opening up between the traditional supervisory grades and those supervised. "Lower work levels", said one engineering manager "can be less dedicated than, say, middle management grades. Everyone should have the interest of the company at heart." What perhaps he failed to understand was that "lower work levels" are expendable. Hewlett Packard was dependent on its substantial team of graduate engineers to keep abreast of the technology and to ring the production changes to meet the needs of a rapidly changing market. To achieve this Hewlett Packard used the same technique as Maxell and Brother to achieve their ends, namely, they utilised a powerful cultural concept, self fulfilment. As a company in business to make a profitable return on investment, Hewlett Packard could not possibly be interested in the individual self fulfilment of its employees per se. They did need to play on people's intrinsic need for self fulfilment to achieve their company goals. The choice of cultural concept as a vehicle may be technologically determined. Companies like Hewlett Packard and Burroughs are under severe market pressure to innovate and are highly dependent on young graduates introducing the latest technology, and older employees continually up

dating skills and knowledge. It is against that background, the appeal to self fulfilment must be seen.

At Burroughs in particular, but also at Hewlett Packard, the emphasis was on individualism stimulated by a very substantial stress on qualifications, the need to study for them, and the disadvantage of not having them. A thirty year old male assembler, typical of many of those interviewed, confessed his only hope of advancing his career with the company was by attending college and gaining some certificates. The company gave time off to any employees of whatever age to further their education. Course fees were paid by the company, although a £50 deposit as a bona fide sign, was demanded and had to be lodged with the Human Resources Department. Any complaints of boredom with the work were often met with an invitation to further education. The previous association of apprenticeships with qualifications and time off for further education had been largely abandoned by Burroughs.

The weight placed on qualifications probably stimulated individualism by making the employee feel that he was entirely to blame for his lack of career progress and even for the boring nature of the work. People do respond to this pressure. Another assembler, part way through a course, said, "The job I'm doing at the moment is slightly monotonous. It is less than my capabilities." A Number of those interviewed were either studying or had completed courses of study. Effectually, continual pressure from the company in this area was leading to a continually upgraded labour force and a sense of obligation to the company. It removed the old job security that the "time served" person enjoyed together with his status and pay differentials. It must also have been narrowing the employees' human capital so that it became more company specific, thus binding the employee to the firm in much the same way as has happened in Japan.

Individualism is contrary to the ethos of trade unionism(57), and young employees at Burroughs, Maxell and Brother knew nothing of trade unions, had never been members, and said they had never heard the subject discussed in the factory. Even issues normally regarded as of common concern were understood in individual terms. When one line worker was asked for her impression of management concern for the work environment she said, "It is not down to managers. It is down to people,

the individual." Knowing nothing of unions, one young employee said, "How can I feel I want to join one?"

At the same time Burroughs appeared to put no particular emphasis on encouraging employees to see themselves as part of a team or family. There was no stress on individualism within a corporate framework, as at Hewlett Packard. Indeed, the philosophy as stated in the handbook was not being adhered to as closely as at Hewlett Packard. In its place was an individualism largely correlated to the drive for qualifications, which itself seemed to have had an essentially negative starting point, viz., how can I escape this boring job? Significantly, there was a higher incidence in this factory of people describing the labour force as simply "a collection of people thrown together at the place of work". (58) "Uncontrolled" individualism was also apparent in a number of unflattering comments about management treatment of shop floor workers. "If they really treated their workers like human beings, as something like themselves, they could improve the job. They could do a lot there, because there is a 'them and us' situation." Another said, "People could be treated a lot more fairly. Some groups are treated superbly; other groups are treated as dirt, and this by the same person." The irony of this situation was that in a sense there was more individualism than at Hewlett Packard. Unfortunately, from the company's point of view, it was largely negative in character. In this sense Burroughs seemed to be in danger of enjoying the worst of all possible worlds

At GEC and Lemac there was much individualism in the sense of negative comment concerning the company and its management. It appeared to be contained in a framework of concern for the overall enterprise, but seemed to have recognised channels in which to run, the consultative meetings at GEC, and through trade union representation at both GEC and Lemac. It probably also manifested itself in reduced production output, although this was difficult to prove, but it had not produced the impression of an undercurrent of hostility to management as at Burroughs. In fairness to Burroughs, this undercurrent was largely confined to the male final assemblers, a disparate group of men with previous work experience and some trade union experience. The company had allowed the monthly meeting between management and this group to

lapse, denying them the chance to air their grievances. Grievances had been individualised by requesting employees to consult with their immediate supervisor in the first instance, and failing satisfaction at that point, to request a meeting with a member of the human resources department. In a more traditional union shop, grievances are more likely to be raised with the shop steward, and shared either with the work group or with the union branch. In other words, a community of concern is engendered. Effectually employers like Burroughs are saying, if there is to be a community of concern, it will comprise line managers and members of the human resources department rather than shop stewards and workmates. Although the optimal solution for the employer remains an individualised one, involving immediate superior and the person concerned, clearly there was an effort here on the part of the employer to maximise control and to root that control, in the first instance, in line management. What kind of employee response can be expected? Some will welcome the concentration of control, seeing it as simplifying a previously more complicated control situation where the employee had a relationship with at least two groups, the company and the union. A number of people interviewed in the four non-union factories were obviously glad that they needed to respond to only one group at work represented by line management. When asked how they felt about trade unions and about how they thought management saw trade unions they generally opted for the phrase "a bit of a nuisance". Even in the two unionised factories there were people who felt like this about control being simplified and in the hands of management. One operator at Lemac summed up the feelings of a number of people when he said, "The workforce are too ready to run to unions. Sometimes a union is involved when its really a question of misunderstanding. The issue is often exaggerated out of all proportion to its importance. People are too sensitive and too quick to look for help when they have a problem."

Others, particularly those with some experience of trade unions, were bound to realise that the elimination not only of unions, but of loyalty to unions and through that, a sense of loyalty to fellow workers, was under attack. A radical attempt was being made to reduce the employee to the level of "economistic man", concerned only with his immediate material benefit and devoid of altruism.

The Company as a community within a community?

Companies can acquire something of the ethos of community, both directly and indirectly. In this regard they can operate almost like a religious cult, so that observers like W.Ouchi can say, "The organisational culture consists of a set of symbols, ceremonies and myths that communicate the underlying values and beliefs of that organisation to its employees. These rituals put flesh on what would otherwise be sparse and abstract ideas..."(59)

Here the word 'cult' indicates devotion paid to an aim through a system akin to worship(60). In the case of a company, its aim, to maximise return on investment and to maximise its own security, can become something close to an absolute for some employees and shareholders, leading them to put this aim above moral, civil and even criminal law. There have been several famous examples in recent years including the "Lockheed scandal" in the United States and Japan.

Production methods have some intrinsic similarity with religious worship by virtue of the repetitive element in both. At a deeper level, management styles and systems that are resistive to change also exhibit characteristics of worship. In this thesis interest focuses on abstract concepts held in common by cults and companies, viz., trust, harmony, mutual help, an internal sense of responsibility, and particularly, the growth of community.

Community itself is an elusive term. It has been argued that it ought altogether to be avoided.(61) Here it is used in the sense spoken of by Martin Buber(62) who asserts that community has never yet been realised anywhere in the human family. It is essentially the "being no longer side by side but *with* one another of a multitude of persons."(63) This "multitude" has at least two characteristics, a goal and a sense of responsibility for each other, which binds the members together. By contrast, in collectivity, people are simply bundled together. In the approach to community the two North American and the two Japanese companies of the study favoured the direct route. In effect, the two British companies approached the issue indirectly. There were also in each case, at least two collectivities, one internal to the factory and its employees, the other external to the factory, called simply,

although perhaps erroneously "the local community", and involving the people who lived in the adjacent town and rural area.

Taking the latter first, Hewlett Packard had a lively sense of relating to an external ethos of excellence and expertise as represented by other large companies and by universities. In this sense they were unashamedly élitist. They had few reservations about what they thought of themselves and how they related to excellence elsewhere. "We employ some of the world's finest technologists, but equally, some of the world's most talented marketing and sales professionals." (64) "Hewlett Packard continue to be actively involved in the community in the United Kingdom during 1985 both as a local citizen and as a contributor to a number of issues of national interest. Our contribution to two reports of Select Committees of the House of Lords, and our announcement of increased level of equipment donations to universities and polytechnics in the UK were widely acknowledged. Many of our people are actively working to develop the relationships between our industry and academia." (65) The same report detailed the company relationship with a number of leading enterprises in the United Kingdom. As far as the local community was concerned, two quite different approaches had been adopted. In most of the company literature the local community was described in terms of an adjacent area which was a desirable place in which to live and raise a family. These two sentences are typical of a much larger paragraph. "Our purpose built plant at South Queensferry is located in a greenfield site close to the centre of the village on the banks of the River Forth. South Queensferry itself is ideally located only ten miles from Edinburgh city centre by road, or a mere eight minutes by train- there is a station two hundred yards from the plant." (66) The individualised view of life extended even to the local community which was effectually reduced to a pool of resources for the gratification of individual needs. Hence the local community was described in terms of a long list of assets, good roads, railway stations, airports, universities, sports facilities, entertainment etc. Nowhere were people mentioned, presumably because on the whole, they could not be bought, sold or otherwise consumed by individuals. In the Hewlett Packard "Statement of Corporate Objectives" the local community was spoken of as an area of potential improvement by the company. "All

of us should strive to improve the environment in which we live. As a corporation operating in many different communities throughout the world, we must make sure that each of these communities is better for our presence. This means identifying our interests with those of the community; it means applying the highest standards of honesty and integrity to our relationships with individuals and groups; it means enhancing and protecting the physical environment, building attractive plants and offices of which the community can be proud; it means contributing talent, time and financial support to worthwhile community projects."(67) It was also perceived as an arena of social problems to the solution of which Hewlett Packard's employees could make a contribution. "Each community has its particular set of social problems. As a major step in this direction, we must strive to provide worthwhile employment opportunities for people of widely different backgrounds. Among other things, this requires positive action to seek out and employ members of disadvantaged groups, and to encourage and guide their progress toward full participation at all position levels."(68) Both approaches reflected a weltanschauung that was radically uni-dimensional and propagated a philosophy that was so focused on individual needs and their satisfaction that even the apparently ethical view of community was seen in terms of a situation that needed improvement.

There were here more than echoes of American religious fundamentalism. The premise was the same, that of a bad situation in need of redemption. Those who were to do the redeeming had been attracted to the work by an appeal to self interest, good housing, amenities etc. The atmosphere of Hewlett Packard's "Graduate Handbook" was that of a fundamentalist church. Here was the praise of a new life. It was different, and by inference, better than what went before, and was characterised principally by self fulfilment.

Social issues presented an essentially personal challenge even when they had to be prosecuted as part of a group. "As citizens of their community there is much that Hewlett Packard people can and should do to improve it- either working as individuals or through such groups as churches, schools, civic or charitable organisations."(69) The Hewlett Packard employee was being enjoined to work "through" such groups rather than as part of such groups. There was almost a fear on the part of the

company of allowing the employee to be seen as a member of any other group than the one provided by the enterprise. This essentially unitarist view is also a characteristic of fundamentalism. In companies like Hewlett Packard there are a number of additional fears, key people under-performing, key people leaving the company, and people throughout the company wanting collective representation because of dissatisfaction with industrial relations, hence, perhaps, the substantial emphasis on management by objectives, the stress on good working conditions, the attempts to stimulate a company culture, and the "open line" project whereby all employees worldwide were surveyed on their views of industrial relations.

Contrary forces and philosophies and increasing competition in all areas of concern, surround Hewlett Packard everywhere and at all times. There appeared to be only one appropriate response which called for an aggressive marketing of the company philosophy, the advantages of working for the company to be promoted, skills to be continuously upgraded, new products to be developed in order to remain ahead of the competition, and the need for the company to be seen as an "intellectual and social asset to each nation and each community". (70)

The advantages of working for the company were defined in cultic terms of membership of the "congregation" of people who had committed themselves to the message. The need to upgrade skills was contained in endless rounds of "Bible study" (training teach-ins), keeping ahead of the competition often interpreted in terms of a continuous introduction of new practices in "worship" (work practices), and novel ways of promoting "fellowship" (beer busts etc.)

As far as the internal collectivity at Hewlett Packard was concerned, it was essentially a collection of individuals. The "Statement of Corporate Objectives" made this quite clear. "The company has been built around the individual, the personal dignity of each, and the recognition of personal achievements." (71) A further recurring theme was that of "sharing in the company's success." (72) Cressey at Comco found a philosophy geared to a "company of entrepreneurs." (73) In recent Hewlett Packard literature this theme was developed in terms of "this indigenous small company spirit". (74) Cressey makes the point that by virtue of their product, companies like Hewlett Packard are driven to

induce "a set of shared values". (75) As already noted they employed a high percentage of graduates. They produced a continuous stream of new electronic products which, for a number of reasons, were either quickly obsolete or developed by the competition. In 1985 Hewlett Packard were moving to a three year cycle between development of a new product and its replacement. Corporate growth in terms of new products and increasing output was recognised as essential for survival in the market place.

"In the first place we serve a dynamic and growing segment of our technological society. To remain static would be to lose ground. We cannot maintain a position of strength and leadership in our fields without sustained and profitable growth." (76)

To maximise commitment, Hewlett Packard linked individual growth with corporate growth as was also the practice at Comco. "In situations where decision making cannot be precisely programmed and there is a management dependency on personal self development and initiative, then there is a need to create a set of shared values." (77) As has already been noted, these "shared values" were technologically determined and culturally conditioned.

Ostensibly the company had avoided two areas of common concern in organisations, conflict and bureaucratisation. In practice, incipient conflict was present and aggravated by the deteriorating market conditions in the previous two years. One interviewee said, "There are a lot of people who simply jog along and if they don't like something, have a little moan," and went on specifically to mention one area of particular tension, "When it comes to wages, sometimes you can have a bit of a battle on your hands." Others spoke of a division between shop floor workers and office staff.

Something of the phenomenon Cressey discovered at Comco was clearly at work in Hewlett Packard. The factory labour force divided into two groups, the engineers and designers who could fully absorb the Hewlett Packard ethos of individual development and growth, and the rest, service personnel, and assemblers and packers, who were doing essentially the same type of work as found in the other five factories. Their work tended to be repetitive and it must have been difficult to build in a sense of personal development. The adoption of quality

circles (as at Burroughs), quality groups (as at Maxell) and quality teams (as at Hewlett Packard) was clearly a technique to provide a sense of job determination akin to that enjoyed by the engineers and designers. "The management saw in Quality Teams a natural extension of the problem solving format down into the support and assembly staff." (78)

The net result at Hewlett Packard maximised company coherence without the imposition of a bureaucracy. A collectivity of apparently equal individuals was created with recognised leadership, a hidden status structure, little or no bureaucracy, and an imposed common philosophy and shared values. Survival with continuous fine adjustments to the status quo and a conviction of the basic validity of the status quo seemed to summarise the atmosphere in which the company operated.

In so far as Japanese companies have copied North American industrial practices and the techniques of management of enterprises like Hewlett Packard, there are obviously a number of problematic areas for them owing to differences in culture. As already noted, Japanese society is essentially group centered. A number of changes or adaptations have therefore been made to produce a new corporate culture in factories like Maxell's at Telford. In its relations with the external community, Maxell's labour force divided into two. The Japanese nationals formed a separate group with few external contacts. Wives and families had more opportunity in this regard and one Japanese wife was said to have been reluctant to return to Japan because of the good friends she had made in Britain and the way in which she had adjusted to living in England. Most of the Japanese technicians at Brother were on short (three months) visits to Britain and consequently were living as single men. They tended to remain apart when off site. It must also be remembered that most of the Japanese were working at least twelve hours per day. At Brother, only the female Japanese secretary to the Managing Director gave the impression of having had any contact with the local community apart from business relations with suppliers. The entire Japanese staff seemed to form a separate community of people.

At Maxell, the children of Japanese employees were being educated at English schools, and many Japanese wives were attending day schools for lessons in English. As already noted, the Japanese Managing Director was

keenly establishing contacts with a variety of people in the surrounding area to improve relations between the local people and the Japanese. The Japanese, who have a very lively sense of history, appeared to be sensitive to the European wartime image of themselves, (79) but there was no attempt to apologise for Japanese culture, and at Maxell a determination to make as few changes as possible to normal Japanese factory practice. At Brother, this conviction was not as strongly held, as noted in Chapter 3.

The main difference between the approach to the external community by the Japanese at Maxell and Brother, and by the Americans who had influenced Hewlett Packard's publicity material, was that the Americans appeared to see the external community in macro terms, universities, neighbouring cities, fairly remote countryside and amenities to be enjoyed. The Japanese appeared to see only the immediate community, and that in terms of personalities, the local head teacher, the principal of the technical college, the chairman of local Rotary etc. It could be argued that this is a function of Japanese concepts of community that are largely focused on the family. The size and density of population in Japan may also give rise to an essentially close view of community compared with the wide and diffuse conception prevalent in North American culture. Language and cultural differences will also be affective in this regard. In contrast to the American companies' aggressively "evangelical" approach to local community, the Japanese approach seemed essentially passive and accepting.

In terms of the product, they had a simpler job to accomplish than Hewlett Packard. They were under pressure to develop existing product lines and to develop new products, but not as intensively as at Hewlett Packard. They worked to a lead time for new products of approximately five years. This could be reduced if competitors entered the market with an "improved" product sooner than anticipated. They were operating in a high volume market at lower profit margins per unit compared with production at Hewlett Packard. They gave no impression of a view of the wider local community as an arena of improvement. Instead, their overall image was that of strangers feeling their way in a community for which they appeared to have the utmost regard. The Managing Director at Maxell spoke respectfully of British industrial history. "As the birthplace of

the industrial revolution this part of England saw many developments in technology relating to metal forming, metal processing and engineering during the 18th century." (80) He also spoke favourably of the quality of the local infrastructure, mentioning universities and communications in particular, and the high quality of the local labour market. "Being traditionally in the forefront of the technology, the people of the area today are pursuing economic development by means of the renewal of the industrial base, with considerable vigour." (81)

From the cultural point of view the way in which the Japanese retain a traditional feel for time is perhaps of more interest. Capitalism and capitalist economics as a view of life is essentially immediate. The long term is given low priority, the short term is all absorbing. A characteristic of people within the system is a loss of a sense of history and a lack of vision for the future. (82) Any residual historical awareness is principally romantic in concern, nostalgic in ethos, and entirely unrelated to the present. (83) The present is perceived as the ultimate in terms of human evolution, needing only fine adjustment to cope with the changing fortunes of human existence. Revolution is abhorred essentially on the basis of a widespread conviction that it is unnecessary, and that the status quo, while not perfect, has the potential to evolve to perfection apparently in fulfilment of the views of Saint-Simon that "All the peoples of the Earth are moving towards the same goal. The goal towards which they are heading is to pass from the governmental, feudal, military regime to the administrative, industrial, pacific system....No force can resist that march." (84)

The Japanese do not appear to share these views. In the medium term they see themselves as world leaders in the Pacific Basin in the next century. (85) Like Christians, Jews and socialists in the West, they have a three dimensional view of time that appreciates the importance of history for the present, the essentially transient nature of the present, and has a vision of the longer term future.

The Managing Director at Maxell had collaborated with the company president to produce the Japanese translation of Thomas Telford's autobiography. (86) He liked to mention in company literature the company's physical proximity to the beginnings of the industrial revolution in Europe. In the postscript to the autobiography of Telford,

the President writes, "A project planning of a factory establishment is always prepared with a prospect for some period, and once the factory is actually established, I believe that the factory has to survive by taking the best counter measures, no matter how drastically the environment changes, and to meet the expectations of the people who have supported the project.

This concept has to be applied and inherited not only in our generation, but also in our children's and our grandchildren's generation, and must not be limited only in the viewpoint of business. When I reflect on the process of the establishment of our Telford factory, I am especially and profoundly concerned about this concept." (87) Thereby he indicated an overt emphasis on the future. No wonder Japanese capitalism has been called an heretical form of capitalism.

Internally, the ethos of the labour force at Maxell and Brother was quite different from that at each of the other four factories. In contrast to the collectivity of individuals at Hewlett Packard, Maxell and Brother made strenuous efforts to induce a unitary sense of corporate community. At Brother the corporate community was subdivided into a number of competing teams. At Maxell an attempt was made to see the entire labour force, including the Japanese nationals, as one. Hence the uniformity of dress, conditions, and styles of address. It would appear that an attempt was being made to create the impossible, a homogeneous group out of Japanese and British, managers and managed. In this regard they seemed to be performing in a very Japanese way and with some at least superficial success. In a sense they had a "national" model for this attempt. Since 1868 the Japanese have been successful in creating a homogeneous industrial nation out of landowners, Samurai and peasants, sharing a background of Confucianism, Shinto, Buddhism and a variety of smaller derived philosophies and religions. (88)

At neither factory was individualism encouraged. The attempt to keep out unions and individualise earnings seemed largely a result of the influence of the British personnel managers and was being reviewed continuously by the Japanese. Unlike Hewlett Packard, there was no emphasis on individual entrepreneurship. Without a substantial research and development core group as at Hewlett Packard, there appeared to be

no pressure to make company values and aims coincide with personal growth and personal goals. In this respect they gave the impression of trying to manage the factory as though it were in Japan. There was an assumption that the labour force would almost inevitably equate the success of the factory with self interest. "Joining our company will enhance your future as well as ours," said the Managing Director in the foreword to the company handbook. "What we have learned in the day to day running of the factory is a far cry from the complex doctrines and theories one might study at say Harvard Business School; it is really quite commonplace. It is the sort of everyday thing that may hardly consider worth taking seriously..." (89)

To achieve this the factory had in its favour four important ingredients. There was a large local pool of young, unconditioned labour from which to recruit. The local labour market also provided a substantial pool of older supervisors, free of old craft sectionalism. This was a group eager to be flexible in working practices and available for substantial levels of overtime. There was a buoyant product market with every sign of potential for growth in the immediate future. Fourthly, the company was fairly confident that it would be able to provide steady growth in real earnings for employees. (90)

The real test of lasting change in attitudes at work at Maxell was likely to come if any one of those four elements happened to change. The most fragile was likely to be the product market. This had proved to be the major area of concern at Hewlett Packard, hence the investment on research and development. At Burroughs, it was the failure of the product market to continue to grow that seemed to have allowed old class divisions between management and supervised employee to re-emerge. At GEC the uncertain product market had caused morale to plummet. Maxell appeared to have already sensed the danger and, as previously noted, were making two fairly different products at Telford. Brother relied on widening the product appeal with the introduction of new models.

Against this background the Japanese seemed to be creating a labour force mentally conditioned to think in terms of the collective good, to be suppressing individual emotions including conflict, competitiveness and pride, to form a pacific group of content, flexible generalists, unobtrusively controlled by an accepted hierarchical bureaucracy led by

the patriarchal figure of the Managing Director. Already at both Maxell and Brother there were impressive levels of obedience, acceptance, loyalty and understanding of the structure.

Between these two extremes of Hewlett Packard and the two Japanese factories, came the variety of collectivities represented by Burroughs, GEC, and Lemac. In a sense Burroughs was a modified version of Hewlett Packard. Like GEC they were a low volume producer of very high value added equipment, operating in a particularly difficult market of apparently uncertain demand. Like Hewlett Packard they had a published company philosophy. (91) Unlike Hewlett Packard their philosophy made no reference to the external community. It focused on individuality and self fulfilment, but all within the framework of a bureaucracy. "Ultimately, the responsibility rests with individuals, with the relationship each manager has with the employee under his or her supervision, and with the fair and consistent application of all policies, procedures and practices." (92) In ethos it was therefore a mixture of Hewlett Packard individualism and Maxell bureaucracy of benevolent rules and regulations.

The philosophy was essentially only an introduction to a philosophy. It did not appear to have been thought through as at Hewlett Packard and at Maxell. Consequently, the damaging effect of the demise of opportunities for consultation and the sharing of information seemed not to be fully appreciated. The withering of these opportunities was probably a response to a need for an immediate increase in production and an absence of corporate organisation on the part of the labour force. It eliminated, meantime, bruising encounters with militant male assembly workers. The induced frustrations seemed to be fragmenting the labour force along old fault lines of class, gender, and skill. There was the impression of a lack of an overall cohesive model of what the labour force collectively should be. At Burroughs the static element of the framework was in situ, line management and support services, but the organic element, attitudes, responses, etc., while detailed to some extent on paper, appeared to be diverse and uncontrolled in practice.

At GEC and Lemac, traditional British working practices were much in evidence. At Lemac they were softened to some extent by the personality of the Managing Director, whose obvious concern for the enterprise found

a ready and appreciative response in the labour force. At both factories there was a type of natural spontaneous family atmosphere - almost a sense of *gemeinschaft* in spite of the divisions. The rise of individuality and community over time had produced a succession of paradoxes, the shop stewards who were accused of hoarding information, the benevolent Managing Director whom employees insisted on addressing as "Mr.", Christian employees who saw no role for trade unions, random trade union recruitment in a closed shop, and the tiny move to single status working in a highly fragmented factory.

In neither factory was there any overt attempt to *induce* a sense of *gemeinschaft*, either of the Hewlett Packard "collectivity of individuals" type or the "intense family" type at Maxell. There was almost an intuitive appreciation that *gemeinschaft* could not be created directly, but had to be allowed to arise as a result of corporate belief and endeavour on the part of people who had a particular relationship of trust and respect for each other. "It (community) reigns where the fight that is fought takes place from the position of a community struggling for its own reality as a community." (93)

The dialectic inherent in all six factories, and probably within every factory within the capitalist mode of production, was that "the fight that is fought" is best tackled by groups of workers unified by a commitment to a common goal. This is perhaps the major contribution to management by modern Japanese industrial practice. The other side of the dialectic is that in capitalism competing sets of interests work to destroy the necessary origins of mutual commitment. Essentially, the Japanese appeal to two of these origins, the family and Japan. GEC and Lemac could appeal to neither. "I don't think the management view the company as a whole as a team" was the way in which one employee articulated the views of a number of people. Most thought of themselves as people "thrown together at a place of work." (94) Another said, "They (management) don't communicate with the shop floor in the sense of friendliness." However much these comments may be dismissed as subjective personal opinion, they did reflect views held in general at both factories and seemed reasonably typical of attitudes and impressions.

The major handicap in the capitalist mode of production seems to be that there is simply no place for a "community struggling for its reality as a community." The concept of community is not perceived as an end in itself. Ends are entirely related to production. The ruthless objectifying ethos of the system reifies the participants, making community an impossibility. The best that can be hoped for is a collectivity where inner tension and conflict is minimised. Traditionally factories like GEC and Lemac have been forced to accept that these tensions are best dealt with by a recognition of "two sides" and a granting to trade unions the status of negotiating on behalf of a membership.

Conclusion.

The focus on relationships, both within the factories, and external to the factories, reveals a fascinating diversity of view and perhaps more than any other part of this study, the effect of national cultural mores on behaviour in the work place. Relationships operate on at least two levels, the level of the individual in the work place, and the level of the labour force as a whole in relation to its social environment outwith the place of work.

At the internal factory level, the social concept of the family is used overtly at Maxell and Brother, to some extent covertly at Hewlett Packard and Burroughs, and allowed indirectly to arise at GEC and Lemac. The use or non use of the term reflects the way in which the concept of family is understood in the three national cultures. Where it is used directly it has at least two effects. As in natural families, there is an *apparent* egalitarianism in which people seem to be treated humanely as respected colleagues or members. Secondly, it has the effect of controlling a range of behavioural aspects, from feelings of loyalty and feelings of alienation, to readiness for overtime and control of absenteeism. In other words it is used to manipulate the labour force, albeit in what is perceived to be the corporate interest.

In this regard the two British factories, constrained by an essentially private and consanguinous view of family from the surrounding cultural milieu, are at a corporate disadvantage, partially offset by feelings of 'family' that have naturally accrued over the lifetime of the plants and the work lifetime of the labour forces.

With respect to relationships with the external social environment, the US plants stand over against the local community while the Japanese and British plants stand alongside the local community. The Japanese approach, in contrast to the US approach, seems more likely in the long term to win local approval. Given the public levels of diffidence with regard to Japanese investment in Britain, this may, strategically, in terms of further investment and general acceptability, be very important for the Japanese in the future.

Both sets of relationships have traditionally been linked with overarching values of a social and/or religious character. The best of the large US enterprises have usually enshrined these in a company philosophy. To some extent this has been copied by the Japanese but they have almost always, linked overarching values to Japanese nationalism and the value of Japanese culture for the world. Now in their overseas plants, a philosophical vacuum seems to have developed at this point, and if company culture is to be kept tight and sharp, this must present a challenge to Japanese companies wishing to maximise motivation and commitment in the work place. This must potentially be one of the least satisfactory aspects of overseas operating for the large Japanese company. If it is not solved and filled, it may prove to be a source of industrial relations problems in the future, if not identical with, perhaps akin to the kind of industrial relations problems more commonly found in plants like those of GEC at Kirkcaldy and Lemac at Haddington, which make little or no reference to 'superordinate' goals

Notes to Chapter 7.

1. See Table 41.
2. H.Befu, "Japan, An Anthropological Introduction", San Francisco, 1971, p64.
3. Ibid. p38.
4. Ibid. p34f.
5. Ibid. p63.
6. Ibid.
7. See Chapter 3.
8. S.Hideo, "Why Originality is not a Japanese Trait.", Japan Echo, Volume 9, No.1, 1982.
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12. Anon., "The Age of Women", in Japan Update, No.4, Summer, 1987.
13. S.Yamamoto, "The Historic Roots of Japanese Corporate Culture", Journal of Japanese Trade and Industry", January/February, 1985.
14. R.Benedict, "The Chrysanthemum and the Sword", London, 1967, p37f.
15. K.Thurley et al, "The Development of Personnel Management in Japanese Enterprises in Great Britain", ICERD, 1980, pp14&16.

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17. Ibid. p88.
18. Stated by a Japanese employee at Maxell.
19. M.McIntosh, "Japan Rearmed", London, 1986, p134.
20. See eg., I.Hupperts, "Corporate Identity in Japan", Tokyo, 1985.
21. S.Yamamoto, op. cit., p62.
22. Some employees were said to have "their feet under the table."
White and Trevor also discovered this allegation at JEL.
23. I.Hupperts, op. cit.
24. M.Young and P.Wilmott, "Family and Kinship in East London", Pelican, 1965, p192.
25. See p. 247.
26. R.C.Clark, "The Japanese Company", Yale University Press, 1979, p73.
27. See eg., "The Matsushita Company Song" and G.Gregory, "The Logic of Japanese Enterprises", Tokyo, 1982, p52.
28. Op. cit., p94.
29. R.Dore, "British Factory-Japanese Factory", Allen and Unwin, 1973, p.61.
30. Ibid. p.68.
31. M.Young and P.Wilmott, op. cit., p23.

32. R.Dore, op. cit., p102.
33. R.Mouer and Y.Sugimoto, "Images of Japanese Society", KPI, London, 1986, p223.
34. R.Dore op. cit., p269f.
35. A.Fox, "History and Heritage", Allen and Unwin, 1985, pp3-5.
36. Ibid. p3.
37. Ibid. p4.
38. Ibid. p3.
39. N.Sasaki, "Management and Industrial Structure in Japan", Pergamon, 1981, p31.
40. P.Wickens, "The Road to Nissan: Flexibility, Quality, Teamwork.", Macmillan, 1987, p76.
41. Financial Times, September 3rd., 1987.
42. Op. cit., p76f.
43. Op. cit., p30.
44. Ibid. p187.
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46. E.J.Hobsbawn, "The Age of Revolution 1789-1848.", New York, 1964, pp278-9.
47. See eg., van Leeuwen, op. cit., p36f.

48. Op. cit., p39f.
49. See eg., H.Befu, op. cit., pp165-170.
50. See eg., Hewlett Packard's "Statement of Corporate Objectives".
51. See eg. Burroughs' "Employee Handbook".
52. R.T.Pascale and A.G.Athos, "The Art of Japanese Management", p179.
53. Ibid., p193.
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57. L.C.Hunter and C.Mulvey, "Economics of Wages and Labour", Macmillan, 1978, p19.
58. See Table 41.
59. W.Uchi, op. cit., p41.
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61. See eg., Margaret Storey, "The Myth of Community Studies", in "The Sociology of Community", ed. C.Bell, Frank Cass, 1974.
62. M.Buber, "Between Man and Man", Collins, 1968, pp50-52.

63. Ibid. p51.
64. Hewlett Packard's Graduate Handbook, p3.
65. Hewlett Packard, "Report and Accounts 1985.", p4
66. Hewlett Packard leaflet, "Working for Hewlett Packard in South Queensferry."
67. Op. cit.
68. Ibid.
69. Ibid.
70. Hewlett Packard, "Statement of Corporate Objectives."
71. Ibid.
72. Ibid.
73. P.Cressey, op. cit., p9ff.
74. Hewlett Packard leaflet, "Working for Hewlett Packard in South Queensferry."
75. P.Cressey, op. cit., p13.
76. Hewlett Packard "Statement of Corporate Objectives.", p6.
77. Op cit., p13.
78. P.Cressey, op. cit., p44.
79. M.McIntosh, op. cit., pp132 & 134.

80. K.Kakurai, "How Maxell Came to Set up a Factory in Telford, England.", unpublished speech, p2.

81. Ibid.

82. K.Marx and F.Engels, "Manifesto of the Communist Party.", in "Marx/Engels, Selected Works in One Volume.", London, 1968, p38.

83. J.Moltmann, "Man", SPCK, 1971, pp30 & 32.

84. Ibid., p29, where Saint-Simon is cited by Moltmann.

85. See S.Okita, "The Force of the Future", in "Speaking of Japan", October 1985, Volume 6, No. 58, and M.McIntosh, op. cit., p153.

86. Published as "An Autobiography of the Life of Thomas Telford.", translated by A. Nagai, Tokyo, 1985.

87. Ibid. p21.

88. See eg., R.C.Christopher, "The Japanese Mind.", Pan 1984, p43.

89. K.Kakurai, op. cit., p6.

90. Ibid.

91. Burroughs' "Statement of Human Resources Philosophy"

92. Ibid.

93. M.Buber, op. cit., p51.

94. See Table 41.

CHAPTER 8.

CONCLUSIONS.

"This hope of a kingdom of prosperity, peace, and dominion which could be accomplished on earth also entered into the development of industrialisation." Jurgen Moltmann.

It is clear now, in 1988, that a reversal of positions between Japan and the West has occurred in the eighties. Until 1980 Japan saw itself as "catching up with the West". By the early eighties this had in fact been realised, and by 1988 Japan's overseas investments, for example, were the largest of any nation in the world. (1) Ronald Dore's prediction that convergence would take place, in the sense that Japan was the future of Britain, seems to be fulfilling itself. (2) This study is particularly interested in Western companies who look to Japan in order to find ways of developing, which will enable them to compete effectively with Japanese companies. They do not speak of "catching up with Japan" and after some initial enthusiasm, are reluctant to talk of adopting Japanese practices (Japanisation) yet nevertheless are avidly studying Japanese industrial practice and almost continually, it would seem, searching for ways of emulating it in their own plants.

Sir Simon Hornby, chairman of W.H. Smith, said recently, "The one thing I find very unsatisfactory is having to balance the interests of those interested in the short term and those who understand what we are trying to do long term. In Japan where I have studied many companies in my capacity as chairman of the Design Council, there is a different attitude, and that is why the Japanese have been so successful." (3) The concluding sentences of a report of a visit of the Industrial Participation Association's Central Business and Investment Committee to Japan says, "Japan began its industrial success by copying much of what British industry had done. Perhaps it is time to turn the tables and copy some aspects of Japanese practice for our own future security and success." (4)

Fully five years before that visit, Ford (UK) had already sent a team to Japan to study work methods and report. (5) That report, rightly or wrongly, was interpreted by trade unionists at Dagenham as an attempt by Ford to introduce Japanese style practices and was a major cause of grievance contributing to the February '88 strike in Ford's UK plants. One strike banner read, "Brits not Nips", and Ford's attempt to introduce Employee Involvement was consistently interpreted by the unions as an attempt to introduce "Japanese style Quality Circles". (6) Indeed such is the impact Japan has made on the world's economy that a whole clutch of industrial relations practices including

Quality Circles, team working, just-in-time stockholding, single status working, core employment etc., are commonly referred to as Japanisation even when many of these practices have a substantial history and have existed for a considerable time in enterprises throughout the world.

Against this background three basic issues are of interest for the present study. Firstly, while there have been many visits to Japan by British industrialists, very little research has been done on Japanese praxis in their overseas manufacturing plants in Britain. This is partly the fault of the Japanese who have been reluctant to allow access to their British plants. Secondly, whether it is a form of Japanisation or not, major changes in industrial relations, work practices, and the role of trade unions have been taking place in the 80s in British manufacturing industry much of it in line with what is known of practices in Japan. The principal issue, therefore, is not the extent of Japanese penetration into the British economy, but the changes in industrial relations which may or may not be directly attributable to Japan and in the midst of which it looks as though "the British are..... attempting to adapt to changed economic conditions without relinquishing established bases of profit, power and influence." (7)

Thirdly, while the Japanese may have learned much from British industry at the turn of the century, a more immediate impact was understandably made upon their industrial praxis by the post-war American occupation and the emulation of American management practice in the 1950s. During the 1950s and 60s, the Americans were heavily investing in Britain. Why did the new management techniques and practices at IBM, Hewlett Packard, Kodak, Continental Can and many others not make more of an impact on British industrial relations? Were changes successfully resisted by a combination of full employment and strong trade unions? While Japan has virtually full employment in the 80s (estimated unemployment is 5%) it does not have strong trade unions in the European sense. In the post-war years strong trade union militancy was ruthlessly expunged together with a general campaign against left wing policies. (8) Their existing company unions embracing foremen and managerial grades cannot possibly adopt the kind of anti-capitalist stance seen in much of the British trade union movement.

Although they are not entirely quietist they cannot be equated with the type of trade union defence of interests seen in Britain until 1980.

To some extent there has been in the last two decades or so a "let's copy America" syndrome in British industry but it has not been accompanied by the very real levels of fear and resistance (largely verbal) that have accompanied the penetration of Japanese companies into Western economies. Some of this fear is doubtless a legacy of attitudes to Japan stemming from World War Two. These attitudes have a cultural basis, specifically an intuitive distaste for what are perceived to be particular aspects of Japanese cultural behaviour, ie., groupiness, willingness to work long hours, an alleged propensity to copy rather than invent, nationalism and a desire to dominate. These and more detailed assumptions about Japanese industrial relations formed the starting point of this programme

The significance of the Ford dispute of February '88 for this study, is that these fears, groundless or otherwise, are strong enough to stimulate industrial action in Britain. Are they justified? By looking at two Japanese factories in Britain, comparing them with two American factories and two British factories it is possible to make a contribution to the debate. Indeed it could be argued that the study of foreign investor industrial relations behaviour in the host country outwith their indigenous culture, is likely to yield a more accurate picture of international trends in industrial relations than comparable studies of factories in three different countries. While the foreign investor may be influenced by the host culture, that influence is likely to be minimal in comparison with social pressures to conform to "normal" working practices in the indigenous culture. In other words, industrial relations praxis in the foreign country is likely to reveal more accurately what the investor really wants in terms of labour relations or perhaps what he can get away with. Witness, eg., wages and conditions often provided by TNCs in 3rd. world countries.

The present study claims to be observing the vanguard of changing labour relations in Britain in the 1980s and that a number of conclusions can be drawn from the observations at the six factories. First, however, it is necessary to say a word about industrial relations theory. Two long established and opposing views can

be attributed to Marx and Weber respectively. For Marxists, culture is determined by the relations of production which have been shaped by the way capital is held and deployed. For example, the conflict of interests between those who have capital to buy labour power and those who have only labour power to sell, is characteristic of the totality of capitalist society and determines its total cultural ethos. By contrast Weberians seem to suggest that culture determines the relations of production. Specifically, human praxis, which, it is alleged, determines the cultural context, shapes also the form of industrial relations(9).

The systems theory as developed by J.T.Dunlop(10) and which has been so influential in the 60s and 70s, also stems from a basically Weberian perspective via the work of Talcott Parsons. Dunlop suggests that the industrial relations system is a sub-system of the wider society to which it belongs and that the wider cultural context supplies certain influences and constraints.

J.E.T.Eldridge(11) argues that Weber himself had a more complex view of the relationship between culture and praxis than many of his followers and if he appeared to draw a one sided picture of cause and effect he was doing so as a technical expedient to advance understanding and analysis of what was in reality a complex relationship. He was using a development of ideal-type analysis to try and penetrate the complexities of the subject.

Almost as a reaction to grand theorising, is, nevertheless, a new theoretical approach by A.Fox et al(12) who see industrial relations in terms of "frames of reference", unitary and pluralist. Perhaps theirs is not so much a theory of industrial relations as an explanation of the way in which people actually see industrial relations, i.e., as a single team pursuing a common goal, or legitimate sets of competing interests. Both frames of reference beg the question of the reason for these two referential options and the relationship of the relations of production to the wider culture in which they are set. For the current study this is in fact a basic question. Broadly speaking, most of the actors in the two American owned and the two Japanese owned plants in Britain seemed to hold a unitary view of industrial relations, and most of the actors in the two British factories, a pluralist view.

While this programme has spent much time analysing individual responses, it has done so, not as an end in itself, but to try and detect the influence of wider socialisation on those attitudes and responses. This has taken the programme closer to the approach adopted by Marc Maurice et al (13). Over a substantial period of time they have observed and analysed the responses and attitudes of actors in French enterprises in France and German enterprises in Germany to detect the influence of socialisation external to the company. They conclude that the shape of industrial relations in these two European cultures is influenced by socialisation via education and training, and the related phenomena of worker mobility and enterprise organisation. Thus industrial relations theory, which since the arrival of Dunlop's systems approach, has tended to focus on the internal workings of the system of industrial relations, has been returned by Maurice et al to a more macro level of analysis not just acknowledging but taking seriously, the impact of wider socialisation on workplace organisation and behaviour.

The current project may be accused of taking a further step back to what Eldridge might argue, was a more authentically Weberian position, namely that socialisation is not a one way process but an ebb and flow of external cultural influence and the ever regenerating social changes induced by people in industry. (14) That is, the relations of production and the culture in which these operate are correlated, the one has no life without the other. The relations of production shape and alter a culture and the culture provides a set of parameters within which the relations of production exist and to which they conform. This is not a dialectical theory of industrial relations, but what Alan Swingewood calls a "theory of factors - X influences Y; Y influences X". (15) It is not a dialectic since there is no intrinsic contradiction between the relations of production and a culture, the one contributes to the other. Marxists argue that the satisfaction of human need produces the form of the relations of production, but that which people need, even the basic needs of security, food and shelter, are culturally determined so that the relations of production and culture are correlated. "Workplace relations" can therefore "be understood only in a wider context involving other, more complex social relations." (16) Nor in this study are these "more complex social relations" confined to the education

system and worker mobility as in Maurice et al's detailed study, but, ignoring their diffidence, are understood as embracing the wider cultures to which all the actors belong.

There is a fourth perspective, shared by K.Omae(17) and H.Shimada(18) in Japan, and Kenneth Thurley(19) in England. It may be described as a primitive secular view and presupposes that neither culture nor the relations of production influence the shape of capitalist production. Industrial praxis and its success or failure depend on qualities of smartness and diligence in the face of the changing business cycle.

"One of the serious defects associated with anthropological explanations of Japanese industrial success, is the tendency to relate the recent remarkable industrial performance directly by a short circuit with ancient cultural inheritances without paying due attention to what had been done during critical periods preceding the rapid growth. This tendency is particularly conspicuous in foreign observers, perhaps because of an unfortunate imbalance of available information. Although information available in foreign countries on Japan is relatively abundant for the late 1940s, when Japan was occupied and controlled by the Allied Forces, and the period after the mid 60s, when the economy started to exhibit phenomenal growth, outside observers have little information about the 1950s, the period during which the critical bases were built for the subsequent growth."(20)

Shimada goes on to suggest that Japan's rise to economic independence was based upon the clever choice of promoting exports through industrial rationalisation. He further suggests that this choice was born out of a sense of national crisis and "a popular chance to catch up with advanced Western nations."(21) Immediately the question arises of the origin of this sense and of the nature and content of the qualities of smartness and diligence, of their origin and development. In fact these questions lead back into the debate concerning the relations of production and culture and specifically the differences observed between the provision of working conditions, attitudes at work, and employee perceptions of management.

These variations which have been documented in the previous chapters, cannot simply be attributed to historical cultural differences

in the three nations represented by the six factories, but rather to the reaction assisted by the catalytic presence of international capitalism, that takes place when one national culture interacts with another at the place of work. To complicate the situation, international capitalism is not merely a catalyst but has autonomous objectives of its own which it seeks to impose on the resulting cultural amalgam.

The parameters of industrial relations for international capitalism are clear, non-union working, an emphasis on management prerogatives, minimising overheads, eg., wages, numbers employed etc., maximising profits and turnover, maximising automation and product reliability, and minimising product life, etc. National cultures will tend mainly by political means, to constrain modify and even reverse some of those aims largely under the influence of traditional moral maxims with their origin in religion or ideology. Thus Maurice et al's thesis is largely accepted and the differences in industrial relations between two countries "...can be related to fundamental features of advanced capitalist societies and economies" (22).

In the present study however, observation and analysis has focused on firms operating, not in their own national cultural milieu, but in a foreign cultural setting, ie., British. Here the capitalist enterprise, constrained and conditioned by its own national culture yet ever mindful of the drive to an unfettered capitalist model as outlined above, meets a new set of conditions imposed by the foreign host culture. These new conditions will be imposed unilaterally on all incoming enterprises. The differences in for example, attitudes at work, employee perceptions of management, and the provision of working conditions, must therefore arise as a result of their own cultural conditioning, or from the effect of the interaction between their own socialisation and the host culture, or from a combination of the effects of the two.

The evidence from the case studies at Hewlett Packard, Burroughs, Maxell and Brother, and from the recent workforce reactions at Ford (UK) and Nissan, seems to point in the direction of a combination of the effects of the original socialisation and the effects of the interaction between the culture of the incoming firm and the host culture.

The use of the concept of the family perhaps best illustrates this point and can be depicted graphically as in Table 53.

Table 53. "Family" in three cultures and their interaction.

	British. Extended, tending to become nuclear.
American. Almost entirely nuclear.	Company wide: elements of extended family. Conflict open. Ostensibly egalitarian Premium on service.
Japanese. Economic, extended, tending to nuclear.	Economic: plant wide. Conflict hidden. Paternalistic. Emphasis on production Premium on loyalty.

Company attitudes to education and training also illustrate the same phenomenon as in Table 54.

Table 54. Company attitudes to education and training.

	<p>British education and training. Geared to producing blue and white collar workers before leaving school. Training, the responsibility of the state and the company.</p>
<p>American education and training. No radical separation between blue and white collar. Emphasis on college and university qualifications. Emphasis on company training and and post work experience training.</p>	<p>Emphasis on university qualifications and promotion on their basis. Continuous in-house training especially for blue collar workers. Employee education subsidised.</p>
<p>Japanese education and training. No radical separation between blue and white collar. Emphasis on "good" school and university. Almost exclusively in-house training.</p>	<p>Exclusively in-house training No particular desire for highly educated labour force. Promotion on basis of work performance and age(experience). Unwilling to subsidise external employee education.</p>

A similar approach could be extended to the analysis of attitudes at work, employee perceptions of management and to a lesser extent, the

provision of working conditions, provided the variable, " type of product," is kept constant.

For a theory to be authentic it must have some predictive power. The evidence from the case studies suggests that the effect of the conflation of concepts, as in Tables 53 and 54, will be a combination of the effects of the original socialisation on companies and the effect of the interaction of the culture of the incoming firm and the host culture. It will not therefore be possible for the foreign company to create an image of the home based plant in the host society, not even of working conditions. To do so would be a waste of energy and resources better directed at market penetration or profit maximisation etc.

As far as Britain is concerned it can also be said that the host cultural concepts perceived by employees to have a high moral content, eg., working conditions, wages, etc., will tend to prevail in the resultant effect created by two or more cultures intermingling at the place of work. Conversely, issues that appear more utilitarian to the employee, eg., education and training, will potentially be more open to change and influence by the incoming culture. Thus "attitudes at work", which have an inherent moral content, are unlikely to be influenced as much as, say, "employee perceptions of management", which are much more utilitarian for the employee. Likewise the "provision of working conditions", generally viewed in a utilitarian fashion by employees rather than as a moral issue, is likely to be more open to change than "attitudes at work". In fact, once there was a generally agreed awareness of growing economic crisis and a threat to living standards in Britain at the beginning of the 80s, changes in working practices, ie., flexibility, teamworking etc., were widely introduced, largely but not exclusively by foreign companies operating in Britain. Where such change has been resisted with at least partial success, as at Ford (UK), the success of that resistance has depended on the trade unions translating changes in working practices from a utilitarian concept to a moral one. The successful vocabulary of resistance has included concepts of rights, justice and personal freedom. (23) This is probably easier to achieve in an established plant where there is likely to be at least an historical basis for comparison. It is therefore significant that change seems to have been easier to realise on greenfield sites where that historical

basis is either absent, or at least weakened, as in the case of Burroughs at Livingston.

The key concept therefore, in predicting the outcome of the clash of cultures in the place of work, revolves around the category of the moral. The differences observed in attitudes at work, employee perceptions of management and the provision of working conditions can be explained by perceptions of what is regarded as moral. This goes some way to explain why flexibility has been resisted at Ford (UK) but welcomed at Maxell. Two companies operating with similar objectives and an almost exclusively British labour force, obtain opposite reactions because Ford workers have been successful in portraying flexibility as morally undesirable (ie., flexibility is an attack on collective agreements established over time and designed to protect jobs), while Maxell workers see it as morally desirable (ie., they are persuaded of the injustice of denying people the opportunity of maximising job satisfaction on the grounds that in their youth they did not serve a recognised apprenticeship.)

Every culture claims to have a moral core but one advantage the Japanese socialisation process appears to have over the ostensibly Christian cultures of the US and Britain, is that the category of the moral has not been subsumed by secularity but is more overtly on the daily agenda in fields such as industrial relations. Thus the authoritarianism of the Japanese Managing Director at Maxell appeared to Western eyes, to be a form of faintly Victorian paternalism. This very issue is mentioned by Toshihiko Yamamoto, an executive banker with Sumitomo, in a recent Financial Times article. "Some people have a born capacity to think in a cross-border type of way. It's more than cosmopolitan. Christian societies have a totally different concept of the world, one which is often limited only to other Christian societies. People with a Buddhist philosophy are more cross-border." (24) Western socialisation seems to inhibit "cross-border" thinking of this type enabling the Western observer to dismiss the Japanese Managing Director's approach as anachronistic.

The fact of the matter, however, was that this was how he actually behaved and dealt with his employees. So far, in plants such as Maxell's at Telford, and Brother's at Wrexham, these features of Japanese

industrial relations, which may be seen as unwelcome by the labour force, are presumably outweighed by the features that are welcomed, so that the net result is a general appreciation of Japanese management practice.

These studies are therefore suggesting that socialisation, particularly with respect to moral conditioning, is shaping industrial relations in the factory. American companies appear to have been aware of this for some time and where they develop and publish a company philosophy, tend to try and top up the employee's value system with additional conditioning perceived to be in the interests of the enterprise. While in practice much of this material might sound trite and banal, it has the potential to control the tone of industrial relations in the plant. More importantly, it is clear that value systems inculcated in the home, and the moral content of education at school and university and/or college, have a seminal effect on industrial relations.

Culture, religion and industrial society.

Primitive religion has been defined and found incompatible with Christianity and industrialism. (see Chapter 6.) Here religion as a basic function of what it means to be human is defined and its relation to society and the world of work briefly explored. "Religion is the substance of culture and culture is the form of religion," (25) said Paul Tillich, and that is largely the belief in this study. One important conclusion follows, namely, religion in secular society is not a system of rites, symbols and feelings, but that which is "the life blood, the inner power, and the ultimate meaning of all life." (26) Religion is therefore not a phase in the development of mankind (pace Comte) but correlated to human culture which will exist and has existed so long as there have been and will be human beings. In other words, Comte's three phases, the primitive, the religious and the scientific are not so much a neat sequence but each overlaps the other. The suggestion of this

thesis is that the category of the religious continues even in the apparently secular scientific phase.

The project is based on the conviction that people are basically religious in a three fold sense. They are inevitably part of a culture and currently contribute to culture by the action of living and working in the world. They inevitably ask fundamental questions concerning the meaning of life, its origins and its future, and thirdly, people seem always to seek not only to satisfy needs, but to maximise security and hide from the transience of life by circumscribing existence with commonly agreed boundaries of material, legal and social provision.

From this premise it also follows that capitalist production is part of and contributes to the culture in which it emerges or is located. Furthermore, its tendency to "deculturalise" the indigenous culture, leads it to re-culturalise. The new capitalist culture has its own ethic based on an ultimate view of the market. Drawing on ethics selectively culled from world religions, capitalist culture substantiates its view of the centrality of the market and develops themes of community and family, nation and world, money and possessions, democracy and leadership, self and group. Paraphrasing Maurice et al(27), the conclusions to this study are based on the conviction that neither the work situation itself nor technology can account on their own for the organisation of production, the attitudes of workers, and perceptions workers have of management. That which does matter is the socialisation all the actors have undergone and continue to experience on and off site, and the culture of which they are part. "In other words one cannot study variations in organisational structure in relation to the social environment without considering how social relations are shaped in a society."(28)

The Marxist view that the industrial relations system is the mechanism whereby the labour force is managed, is accepted. It is not autonomous and not dependent on technology, factory size, type of product, product market forces etc., although each of these can have an influence. It is shaped primarily by the needs of capital and in particular, the drive to accumulate. The actors, however, are not unconditioned machines, but socialised and encultured people. Their socialisation etches the industrial relations system. At the macro

level, the initial investment level, the needs of capital dominate and determine decisions. At subsequent plant level, socialisation modifies those decisions and contributes to the shape of collective action. Specifically, attitudes at work, and perceptions of management are socially conditioned before and during work for the firm, while the provision of working conditions is determined initially by the needs of capital and modified by the culture of the actors.

For foreign companies in Britain there are of course two socialisation processes. While the socialisation of all the actors affects attitudes at work and perceptions of management, the socialisation of the owners influences the provision of working conditions, and the socialisation of the employees influences expectations of the shape of the provision of working conditions. For foreign companies in Britain there are two cultures interacting in and on the organisation. The strength of one socialisation process bearing on virtually all the actors is absent. Its place is filled by the needs of capital and these appear more dominant in companies working in foreign environments. There must therefore be a tendency towards a more primitive capitalist ethos in these firms and a threat, both to the host culture, and to the culture of incoming owners and managers.

With these introductory remarks it is time to turn to the original questions of the programme.

The Effect of culture on employment practices.

Three different perceptions of work group, individual self, family and community were apparent in the three pairs of factories. Hewlett Packard, and to a lesser extent Burroughs, clearly placed a primary emphasis on self. Even when they spoke of a family of people at work it was clear they had in mind a family of individuals. This thinking was reinforced by an emphasis on self success and self fulfilment. It could be argued that Hewlett Packard's "management by objectives" focus in particular, was a blatant attempt to maximise productive effort by appealing almost literally to the need for self fulfilment and even self

aggrandisement. The method of payment was also locked into this schema so that the employee was continuously reminded of failure to perform at the maximum level. The application of this very personal pressure on employees seems also to have a certain cultural authenticity in North America and may be associated with what is perceived to have been the early pioneering spirit of the nation.

The essence of that spirit was the need for "a place of one's own" in which to earn a living, put down roots, and establish a developmental base for the future. These are all categories in which the capitalist mode of production, qua production, has not the slightest interest. Factories are essentially temporary and finite. If market conditions allow, a factory may become a developmental base for a fairly immediate future measured in years or one or two decades at most.

Hewlett Packard demonstrated, however, that capitalist production could take these categories of the need for a place, roots, and a future, and with skill and consistent policy, use them to motivate and retain a labour force. The Hewlett Packard Personnel Manager's comment on the company philosophy illustrated a little of how this was achieved. Although his opening sentence perhaps did not do justice to the work of those who first framed the philosophy, the conclusion that it was a "discipline" should not be too lightly dismissed.

"They just wrote them (the philosophy of the company) down in the 1950s. They've changed slightly since then to cope with economic changes and environmental changes. It makes for a consistency of decision making. Whilst they are philosophical in nature it does give some quite good parameters when you come to make decisions about certain things. You say, OK, faced with a situation, does it fly in the face of our philosophy, and I think that helps to narrow it down to a consistency of decision making that's quite good. Faced with the same situation, people will make marginally different decisions, but philosophically speaking, the decision will be leading in the right direction, whether it be you're not a hire and fire company. So if you were contemplating going into a business that was big contract oriented, that caused you to need a lot of people and lay a lot of people off, then you would say, is this the sort of business we should be in? That would be a consistent decision throughout the corporation. Everyone would be able to see this

is no business for us because it flies in the face of our philosophy of people. From a broad brush point of view it should take you in the right direction. It's almost a discipline instilled in us." It was a discipline, not in the sense that the philosophy acted as a touch stone for behaviour or decision making, but in the sense that it was framed with some prior assumptions in mind, namely to maximise company security and profitability. The company therefore avoided entering a market area where there might be large fluctuations in employment levels since in the end of the day, over the long term, such an area was more likely to be unprofitable and risky, rather than profitable and secure. In other words the philosophy was not the starting point. It had been framed to suit a number of prior aims.

Burroughs represented an interesting departure from practice at Hewlett Packard. Significantly, Burroughs was not mentioned either by Pascale and Athos(29) or by Ouchi(30) as one of the leading American managed companies in the world. Burroughs appeared, not just at the Livingston factory, but also at the former factory at Cumbernauld, to have decided to be more accomodating with respect to British industrial practice

It has been argued that they were making intelligent use of local labour market conditions at the "price" of somewhat depressed workforce morale. (31) Even this might have been a minimal cost if the life of the factory was envisaged as, say, no more than twenty years.

A drop in morale was more problematic for Hewlett Packard who, unlike Burroughs, overtly committed themselves to a presence spanning "generations". Burroughs had chosen not to adopt the fairly sophisticated philosophy of Hewlett Packard and appeared to lay little stress on self fulfilment, perhaps in the belief that there was more to be gained by allowing the employee to discover self fulfilment for himself. The stress on paper qualifications as the route to promotion seemed to be an example of the way in which they left self fulfilment to the individual. The emphasis on qualifications was probably American, but "leaving it to the individual" felt more of a British approach to industrial relations. Matthew Arnold certainly believed this to be the case when analysing British culture of the last century. "Our prevalent notion is....that it is a most happy and important thing for a man

merely to be able to do as he likes." (32) A further "British" feature of industrial relations at Burroughs was apparent by the way in which the company had chosen to motivate people by wage incentive schemes. These were absent at Hewlett Packard and the two Japanese owned factories, but present at both GEC and Lemac.

The heavy emphasis on self interest appeared to be a thinly disguised continuous attack on collective action and the setting up of sets of collective concerns. That is, it was an attack on trade unionism. Burroughs demonstrated the sharp way of eliminating unionism by closing one plant which was fully unionised and opening another twelve miles away, completely devoid of trade unions. Hewlett Packard, like IBM and Kodak, began in Britain without unions. Ford (UK) appear to have wanted to go in the same direction as Burroughs and establish a single union plant, originally in Dundee.

The Japanese with their 34,000 company unions in Japan with whom they are said to have cordial relations, indicated at Maxell and Brother the their first choice was to work without unions. It would therefore appear there has been an historical progression leading to a reversal of roles between the leader and the led. Until ten years ago, Japanese companies were copying management practice in large American companies like Hewlett Packard and IBM. Large American companies like Ford are now persuaded that to retain their strength in the product market, the management practice of Japanese rivals must be emulated.

The Americans have apparently been able to establish non or single union shops in the new industries of electronics and light engineering products with a substantial electronics component. The Japanese, comparatively late into more traditional 20th. century technologies such as vehicle manufacture, have introduced non or single union working in industries heavily unionised in the US and Europe, forcing competitors to move in the same direction. Hence Ford's Dundee decision.

The absence of trade unions is critical for the introduction of more flexible working practices. As already noted, Maxell and Brother indicated that they would not be unhappy if the majority of their young female workers left after five or six years and they were able to replace them with a new batch of young malleable labour. Since skill levels are low, training costs would be minimal and there would be a

number of positive attractions in terms of minimising the wage bill and minimising industrial unrest, ie., almost eliminating production uncertainty. This would allow these companies to retain a labour force with a shape similar to that in Japan. There would be a core labour force of Japanese personnel, senior British managers, and a proportion of supervisors. All others would become peripheral workers conditioned to think of themselves as "members" when in fact they could hardly be further from membership and remain on the payroll.

Both Maxell and Brother, despite protestations to the contrary, imparted to their factories at Telford and Wrexham, cultural assumptions that clearly belonged more properly to Kyoto and Tokyo. Unlike White and Trevor's "Company B", (33) there were signs at both factories of an incipient seniority payment system associated with a typical subdivision of the labour force into fine strata, as observed by Dore (34) at Hitachi. Although a number of recent writers (35) argue that the Japanese are moving to a more merit based payment system, this did not appear to be the case at either the Maxell or Brother factories in Britain. The very comprehensive corporate welfarism of large Japanese companies in Japan is obviously not being emulated, probably because at the moment it is simply not needed. If there is a real erosion of state welfarism in Britain in the future, Japanese companies may be persuaded to move further down this particular road.

While neither Maxell nor Brother recognised unions it was clear that a) this was largely a policy temporarily imposed by the British personnel managers, and b) the Japanese themselves were uneasy at this particular development and were prepared to think of signing a recognition agreement, preferably with one union. On the question of lifetime employment, certainly there was no overt promise of employment for the duration of an employee's working life. This also seems to be the case in Japan, although the understanding and *expectation* of lifetime employment in large companies appears to be widespread. There was, however, a genuine substantial reluctance to sack employees and much open talk of operating the factories in Britain for "generations". There were, therefore, the seeds of a lifetime employment policy. On the basis of observation at Maxell and Brother, White and Trevor's (36) comprehensive dismissal of all these features seems a little premature.

The hidden cultural agenda the Japanese employers bring to Britain is of even more interest to this programme. Their perceptions of the individual and of the family are two of the more obvious items on that agenda. Their view of the labour force as a family is clearly a cultural advantage for them. Western companies' use of the term family is manifestly hypocritical. To their credit, Hewlett Packard avoided using the word family, and it did not appear in their published literature, even although some employees were prepared to use it. There is no equivalent in Western civilisation of the concept of the economic family, (37) as in Japan. Consequently, when the Japanese use the term family of a company, they can do so with makoto (sincerity), even if the Japanese managed work group looks no more like a family than an American or British managed work group to the sceptical Western observer. The point, therefore, is not in any perceived outward difference of the company and its structure - although there may be differences, especially in the latter, but that there is a genuine difference of attitude and conviction on the part of the Japanese management, such that their moral integrity remains intact. Some inner righteousness is maintained, allowing them, if they so wish, a disdainful dismissal of British and American claims to emulate the family at the place of work, and this by a people who belong to a society that is often accused of being hypocritical. (38) Japanese practice has not always been able to afford the high moral position. There is ample evidence to show that in the 1920s and 30s in particular, Japanese industrial relations were as poor as any seen elsewhere in the world. After World War Two, they seemed to make a conscious effort, perhaps even as a reaction to the American occupation, to reach back into the best of their cultural past for categories that would provide what was perceived to be a better foundation for a rebuilt capitalist society. (39)

Although they may be able to speak with more sincerity of the workforce as a family, that in itself does not make the content of what they mean by the word family necessarily more acceptable to British employees. As indicated in Chapters 3 and 4, Japanese perceptions of the labour force appeared to be authoritative, hierarchical and patriarchal. Under "normal" British circumstances these may be thought of as, at best, irritating, and at worst, unacceptable. They appeared to be more

than offset, however, by the universally welcomed practice of speaking regularly with the workforce. In a sense this was more important and more basic than consultation. From the human relations point of view it is also glaringly obvious, and probably one reason why some Japanese managers denied the existence of a unique Japanese style of management, and preferred to speak of "common sense" management.

As already observed, they could well have been worse than American and British companies at sharing real information with the labour force. It could also have been the case that the Japanese engineers and technicians on site were not really consulting with the labour force. It would be surprising if they had much genuinely to learn from teenage machine operators. The point of the whole exercise of engaging in a continuous succession of "meetings" was that they thereby spoke with and to their employees and most employees did genuinely seem to like being spoken to. It was a simple human touch that is likely to make the difference between a good company and the "best firms".

Neither is this an argument in favour of claiming the Japanese operate altruistically. Having highly trained managers doing no more than walking around talking to people is a cost. As already noticed, an attempt was made to offset the cost by extracting in effect, unpaid overtime from this same group. Nevertheless it was likely some cost remained even in terms of managers being more tired and less sharp than otherwise. The cost must be perceived to be offset by a benefit, presumably harmony amongst the labour force. In other words, the Japanese apparently rate harmony important enough to be prepared to pay for it. It could also be argued that this too is a common sense approach. While conflict is endemic in the capitalist system owing to competing sets of interests, peace has to be bought. British managements have often been accused by governments of buying peace at the cost of increased wages, thus contributing to inflation. The Japanese answer seems to suggest that peace can be bought by exploiting management loyalty, the need for a career and for security, and by improving human relations at the point of production - and it is the latter phrase that is important. They are not simply following the theories of the post-war school of human relations management. While the practice of large companies in Japan may be of this type, in Britain the wide human

relations concern has been radically narrowed to include only practice on the shop floor. In other words it is a concomitant of their emphasis on the production task. Only under external social pressure is that emphasis likely to be allowed to expand to include some of the concerns currently dealt with by large companies in Japan and by longer established multinationals elsewhere.

Furthermore, if the Japanese are to remain in Britain and continue to be convinced that the practice of speaking regularly to the labour force is important, will this in itself push them down a "Japanese" road, to lifetime employment at least for managers, in order to compensate for the additional demands on management time?

On the basis of this study, Ouchi's contention that type A organisations (ie., American and individualistic) and type J organisations (ie., Japanese and homogeneous) are really one type Z, (40) is simply not true. While there were many similarities between Hewlett Packard at South Queensferry and Maxell and Brother, even Hewlett Packard appeared not to pursue quite as radically, the policy of maintaining contact with the labour force as at Maxell and Brother. On this point alone there appear to be grounds for claiming a distinct type J. Perhaps it is more appropriate to view companies like those of this study on at least two levels. At the macro-international level Ouchi may be right in claiming one type Z. That is, there seems to be a universal capitalist drive to eliminate unions, confine decision making to management, minimise wages, provide minimal standards of working conditions, minimise overheads and the number of people employed, reduce the average age of those employed to around 30 to 32 years, maximise product reliability, minimise product life, maximise profits and product market size etc., maximise employee flexibility, and eliminate all demarcatory practices.

At the national and local level, the social ethos constrains the above aims, modifies and even changes them. For example, cultural factors determine levels of corporate welfarism in Japan, annual bonuses, lifetime employment for the core labour force, trade union activity in Britain, industrial relations legislation in most countries, health and safety standards in most developed countries, political pressure to employ people, social pressure to maximise product

life and reliability, taxes etc. These constraints produce a type J in Japan, a type A in America and a type U in the UK.

Cultural absorption.

The question of cultural transference is a particularly difficult issue to resolve, as was recognised in Chapter 1. Even if "culture" is grossly constricted to embrace only mannerisms, attitudes at work to the production process, and to fellow employees, work methods and after work social habits, "absorption" is narrowly confined to perceived changes in these features in the short term, it remains extremely difficult to conclude with certainty that a cultural shift has taken place from one cultural setting in favour of another.

At the ultra-superficial level, some employees at Burroughs who had visited the parent factory at Detroit, appeared to use the ubiquitous phrase "I guess" in everyday speech. Attitudes to work and the production process seemed more influenced by American thinking at Hewlett Packard. There appeared to be a more thoroughgoing acceptance of American thinking, eg., all procedures seen as "processes", and American attitudes, eg., "management by objectives", than at Burroughs.

The question of cultural absorption, however, is also the question of cultural convergence. The "classical" convergence theory as espoused by Marx, Galbraith, Kerr, Bell, and others is that the basic motive for change is the transformation of "the opportunities of technology" into the "imperatives of technology".(41) Thus, it is argued, societies become like each other.

Dore argues that the process is complicated by at least three features, of which one is of immediate interest at this point, namely "the late development effect".(42) He suggests that "the late development effect" should not be confined to technology, but applied also to social institutions such as the educational system and to ideologies, eg., democratic egalitarianism. Writing in the early seventies, Dore saw the pressure of democratic egalitarianism accompanying the spread of industrialism. While the 1980s may well be

witnessing a halt and even a reversal of this process, nevertheless Dore's principle is worth bearing in mind, viz., "the late development effect" includes ideologies. Patterns of working eg., joint consultation and industrial democracy, which were developed in the older industrial societies can be examined and established in a more "advanced" or developed form by the more newly industrialised societies (ie., Japan). A central and important feature here is undoubtedly the decline in the role of trade unions and indeed their possible abolition from consultation and bargaining, and a decrease in their political influence. Is this a Japanese trait, an American trait, or a universal feature of world capitalism? The answer must surely be both. Primitive capitalism clearly sees no role for trade unions. In the US their political role has traditionally been low-key in comparison to unions in Britain. While still involved in bargaining they have not been interested in consultation but have majored on maximising benefits to members, ie., they have been business unions. For all their protestations to the contrary, if given the freedom to choose, experience at Maxell and Brother suggests the Japanese would work without unions and management would communicate directly with the labour force. Historically this has been clear throughout most of the twentieth century in Japan, and their fondness for quality circles and their equivalent, illustrates their obvious desire to talk directly with the labour force. Hence at Maxell and Brother, managers were virtually on the shop floor throughout the production shift. Japan is now industrially powerful enough to set the style and content of industrial relations practice for world capitalism. Trade union alarm at potential developments at Ford (UK) is therefore understandable.

The Japanese practice of continuous encounter with the labour force may be an example of the "late development effect" operating on American human relations school of industrial relations theory. American companies like Hewlett Packard have evolved to almost the same point in a culture that has curiously often extolled the virtues of democracy and resisted its development within industry. Of course, "continuous encounter with the labour force" has little to do with democracy and everything to do with control of the labour force. Hewlett Packard, which is a relatively young company (established in the United States in

1939 and in the United Kingdom in 1961) has itself been able to use the advantage of late development to take and apply an ideological principle more rigorously than the norm prevailing amongst North American companies, to produce a company ethos that is widely recognised in business and academic circles as "superior" to the norm (qualifying eg., for Ouchi's Z category of company).

The fact that there were signs that Hewlett Packard at South Queensferry had perhaps been regressing in the previous three or four years into a more average style of working, does not detract from the above analysis. Perversely, it supports the analysis by indicating that a conscious effort must be made to maintain the position of the "advanced" ideology while the surrounding industrial culture remains less "enlightened" or there will inevitably be a retraction to the position of the surrounding industrial culture.

Where a whole industrial society is benefitting from the "late development" phenomenon, as in Japan, the task of maintaining the "advanced" ideological position may be easier. Indeed, there is ample evidence to show that large companies in Japan have a mutually beneficial effect by stimulating each other and the adjacent layer of next largest companies to emulate "best" practice in industrial relations. The Japanese appear to have concluded that industrialisation seems inevitably to be accompanied, if not by egalitarianism, then by a new social stratification based on a mixture of merit, qualifications and wealth. Consequently, they appeared readily to have adopted that ideological ethos, albeit still influenced by some traditional Japanese patriarchalism, and produced a work environment at Telford and Wrexham that was, in a number of ways, very comparable to that at South Queensferry and, indeed, in terms of encounter between people at all levels in their organisations, perhaps better than that at South Queensferry. Something of their "impressive solution to the problem of authority in industry" (43) seemed therefore to have been imported into Britain. In that sense, the local labour force had absorbed a cultural shift.

The Influence on work place attitudes.

This section attempts to respond to the third of the questions raised in Chapter 1. If there is some cultural absorption, some convergence either to an American model or to a Japanese model of enterprise ethos and praxis, it seems reasonable to expect that this will influence a number of issues of immediate interest to employees. Perhaps more importantly, even the attempt to induce a change in working practices, as in almost all situations, will raise a number of issues for British employees. At the same time it may be worth keeping in mind a question which Dore raises towards the end of "British Factory - Japanese Factory", viz., which elements are due to late development per se, and which to cultural factors?(44)

Some of the issues raised by a change in employment and production practice can be dealt with in this thesis, with some brevity, since they are features of changing industrial practice per se rather than the result of the impact of foreign culture. Just-in-time stockholding is one such practice. It could be argued that its ready adoption by large Japanese companies like Maxell and Brother is indeed a feature of late development. Furthermore, while this policy has apparently been adopted by many Japanese companies, it is not unique to them. Hewlett Packard and Burroughs also pursued this policy. Indeed, Burroughs manufactured the electronic storage and retrieval systems that enabled the policy more rigorously to be pursued. Prima facie, its adoption seems to be a function simply of good manufacturing practice. In fact, the situation is not quite so simple, otherwise companies like GEC and Lemac would also have adopted it. Its financial benefits are so obvious! Large Japanese companies have a socio-cultural advantage when applying the system compared to many companies in the West. They exist in an industrial milieu where large companies attract a number of smaller supplying enterprises that are encouraged to become almost entirely, and in some cases completely dependent on the larger company for orders. The smaller companies live in an industrial culture where it may have been made impossible, directly and/or indirectly, for them to supply another customer. This "nouveaux zaibatsu" style of company existence and relationship is a feature of post war Japanese industry, and not present

to anything like the same extent either in the United States or Britain, despite a number of phases of company mergers. For example, the series of company mergers that produced the contemporary GEC in Britain had produced a single company with, in some cases, the slimmed down remnants of some of the constituent parts. GEC's Kirkcaldy factory was formerly owned by AEI. Such mergers have not produced, even in embryo, anything comparable to the conglomeration of companies to which Maxell belongs in Japan. The large company in Japan is therefore able to pressurise the smaller supplying company to such an extent that delivery of parts can sometimes be programmed to the hour as well as to the day.

There were indications at both Maxell and Brother that despite the absence of the wider Japanese culture, both Maxell and Brother had begun to cultivate a number of supplying firms in order to optimise their just-in-time system. More importantly, for the purposes of this study, it was clearly having at least one direct effect on employees by keeping their number to a minimum. The stores at Maxell and Brother were both operated by two employees.

Ohmae's thesis that for the Japanese, "organisation means people" (45) seems to be substantiated repeatedly in the current study. The practices which they have adopted and often developed, seem deliberately to have been chosen on the basis of maximising contact between people and through that contact, maximising control over people. The cultivation of suppliers fits this assertion. Almost continuous verbal intercourse between managers, technicians, supervisors and operators, also appears to be part of this overall philosophy. Open plan working on the shop floor and in the offices is a further example of the principle at work. Although open plan working can be interpreted in terms of easier supervision, an instant visual read out, as it were, of everyone's current activities in a given area, in fairness to the Japanese they give the impression that this is perhaps a useful by-product of the practice but not the reason for its adoption. It contributes to the philosophy that, wherever possible, in what might so easily be a mechanical, soulless process, eg., assembling tape cassettes, the manufacturing process should be "humanised" or "de-reified", so that people can see each other, have a cup of tea when they feel like it, and generally feel that they are in a place inhabited by

people rather than solely by machines. In other words, it appears to be a conscious and deliberate attempt to reverse the inherent reifying tendency of much industrial production so roundly condemned by Marx and many others since. Where else can this feature have come from other than Japan's cultural past? While the Human Relations School will obviously also have had an effect, together with "late development", the Human Relations School has also been influential in British industrial relations without engendering such an intense people-centered ethos as seems to have emerged in Japanese companies. Obviously all industrial societies at an earlier stage depended more on people than machines, but Japan more so than most. Her 100 million population inhabits an archipelago no greater in size than the United Kingdom and a usable land mass no greater than England and Wales. Her economy was for centuries dependent on the production of rice, which remains the staple diet to this day - a production process that has been notoriously difficult to mechanise - and is still labour intensive in modern Japan. No wonder, against this background, Japan favours either fully robotised work environments where there are virtually no people, or seeks consciously to maximise opportunities for human intercourse in otherwise highly mechanised work environments such as at Maxell and Brother's factories in Britain!

Here surely is a national cultural constraint superimposed on the universal capitalist need to reduce labour costs by minimising the size of the payroll. The result on workplace attitudes is immediate and obvious in those two factories. Whatever reservations their largely teenage labour force might have had about career prospects and wages, of this the vast majority seemed certain, that they were being treated decently, fairly and with dignity.

Only Hewlett Packard had a comparable open plan working environment. There too it was part of a sophisticated philosophy, and there also, the impact on workplace attitudes was, if anything, even more significant. Their labour force could hardly have been more different from that of unskilled and largely unqualified teenagers, yet they too readily admitted the basic decency with which they were employed. In the remaining three factories (Burroughs, GEC and Lemac), the impression given was that there also people often engaged in the production

process with a sense of commitment and satisfaction, but often despite the way they were employed. In the midst of some irritating management practices, lack of information, sometimes poor working conditions, and traditional social stratification, their inner strength of spirit as individuals enabled them to work with dignity and even to enjoy a measure of satisfaction at work. Ironically, their poorer treatment as employees seemed, therefore, geared to producing "tougher", more independent and militant employees in contrast to the quiescent, malleable labour force at Maxell and Brother.

A third employment feature that has connotations for employees is the question of how people are ranked, if at all, at the workplace. In Chapter 4 it was noted that Maxell and Brother had adopted a typical Japanese approach to this issue and had introduced fine layers of stratification into the organisation of the labour force. Hewlett Packard tended to the opposite extreme and had gone a long way towards creating a work climate in which almost everyone appeared to be on the same level. Burroughs, GEC and Lemac operated with a more traditional class based system. In reality, the situation is of course more complicated. All six factories maintained a basic divide between those who earned overtime payments and those who were on fixed salaries. Within the traditional systems at GEC and Lemac there was a hidden agenda of stratification comprising fitters, electricians, millwrights, machine operators, checkers, inspectors and testers. It was likely that most employees could mentally have arranged people in these skills in a hierarchy that would probably have found fairly common acceptance.

Nevertheless, practice at Maxell and Brother in particular did coincide, for example, with that observed by Dore in Hitachi(46). Dore makes the interesting point that, for Hitachi employees, status differences were more likely to be seen as "legitimate" because they were based on educational qualifications, and education was perceived in Japan to be open to all and highly respected in itself. Authority based on educational attainment therefore seems fair. In the two Japanese owned factories in Britain the system of fine stratification had been introduced into a labour force that was largely similar in educational qualification and characterised by an almost universally elementary level of educational achievement. An unfortunate consequence seemed to

be the fairly widespread awareness amongst employees of favouritism, which was also noted as a feature at "JEL" by White and Trevor. (47) In contradiction to White and Trevor, here seemed to be an example of a Japanese work method that did need the Japanese social milieu for its successful acceptance. In the absence of the Japanese educational ethos, the practice of fine stratification in the factories in Britain appeared to be producing unhelpful feelings of resentment and encouraging militaristic attitudes towards authority. In other words, the Japanese educational ethos may represent a social constraint applied in Japan, to produce culturally acceptable stratification in Japan, but in its absence in Britain, the imposed stratification based on perceived ability as assessed by superiors was beginning to produce a number of unwelcome problems. The conclusion seems to be that the Japanese ought to keep stratification to a minimum. Indeed this is already the course adopted by American companies (see eg., Hewlett Packard's thirteen grades for a labour force of one thousand in 1985). Ford (UK) reduced five hundred and fifty job titles to fifty two. (48) It has also been adopted by other Japanese companies in Britain. Nissan has only two basic grades of employee. (49)

Dore alleges that stratification is successful in Japan because it is accompanied by a "Confucian self improvement syndrome" (50) and by the presence of managers who appear to be no more privileged than other employees. It is fairly safe to say the British labour force at Maxell and Brother were not labouring under a "Confucian self improvement syndrome". Many appeared to have been chosen precisely for their lack of ambition. The situation with respect to managers was a little more complex. By the adoption of single status working it might have appeared at first glance as though managers were not any more privileged than others. The policy of British personnel managers vis a vis company cars, had, however, disturbed this effect and it is fairly certain they were perceived as a privileged group by the majority of employees. Although employees at these factories were unfamiliar with the term "industrial relations", they were all perfectly familiar with the word "manager", even although they had been instructed to see everyone on site as "members". In other words, they had probably brought with them to their work, fairly stereotyped views of managers from their British

cultural background, which would effectually detract from a wholehearted support for fine stratification. Again, the lack of a Japanese social milieu seems likely to make the acceptance of fine stratification problematic. It would be interesting to observe the effect over time on fine stratification, and to compare its acceptance with that of traditional hidden stratification in British industry.

Finally, the relationship or lack of it with respect to trade unions revealed management attitudes towards labour force collective rights and interests. The two British factories, under continuing British social pressure, recognised trade unions. The two American factories, freed from American social pressure and experiencing minimal pressure from their British environment to conform, recognised no trade unions. Likewise the two Japanese companies, freed from Japanese cultural constraints in Japan where company unions are generally recognised, did not recognise unions in Britain. In other words, freed of their respective social constraints, both the American and the Japanese firms had adopted the same policy with regard to unions, and were thus conforming with universal primitive capitalism that sees no role for trade unions.

While the general policy was the same there were differences. The two Japanese companies at Maxell and Brother thought that there was some British social pressure on them to recognise trade unions and were seriously considering doing so (1985). By 1988, with the industrial atmosphere in Britain moving further against unions, Maxell and Brother had felt the host social pressure to recognise unions diminishing, and remained non unionised. There are no signs here of White and Trevor's "cautious approach to industrial relations". If the Japanese at Maxell and Brother had been cautious, they would have recognised at least one union, as at Nissan, Panasonic and Sony. Instead they were reading the situation and assessing how close they could come to the standard of primitive capitalism. They had even resisted the group pressure coming to them from other foreign investing companies operating in Britain where "it (recognising one union) is the prevailing 'good practice' among large firms setting up on greenfield sites in Britain". (51)

The effect on workplace attitudes in the four foreign owned factories seemed to be one of studied indifference. The Japanese and

British management had successfully created an atmosphere where it was the accepted norm to turn in the event of difficulty to supervisors and line management for solutions.

Having said that, mounting disquiet over declining wage levels at Maxell in particular did seem to be responsible for rising pressure on the existing system in which there appeared to be little or no outlet for aggrieved feelings. By contrast, Hewlett Packard and Burroughs were more successful in this respect by having little hesitation in adopting the role of acknowledged wage leaders in their localities. In other words, the Japanese propensity for what might be called "near but below top-ism" was working in their disfavour as far as remaining non unionised was concerned. In short, it is easier to maintain the position of wage leaders in a given locality, than, having decided to be near but below top, continually to be monitoring the average with a view to remaining a little above. Traditionally the problem is contained by recognising a union or unions and allowing them effectually to set at least a base level for wages, and simply paying a little above in order to keep the labour force quiet.

Practice at the four foreign owned factories of the study with respect to trade unions implied serious consequences for traditional British trade union activities, not least of which was the management desire to communicate directly with the labour force. Few unions would object to this desire per se. Indeed many unions and their members continually press for more information for their members from management, not less. The phrase "communicate directly with the labour force", however, can be a euphemism for team working practices which, in itself, is not a new concept. Since manufacturing is primarily a social function, little would be accomplished if it were not for some form of team working. The current use of the term, however, implies a specific package of industrial relations practices, no demarcation between skilled and unskilled, between blue and white collar work, between production and maintenance, and team leaders appointed by management with no assurance that they will be drawn from the ranks of those formerly classified as skilled. The implications for multi unionism are serious. "The introduction of more flexible working practices and team

working dramatically shifts the basis for traditional multi union organisation. It creates an in-built bias for single unionism".(52)

Maxell and Brother had demonstrated that team working could mean non unionism, not just in terms of non recognition, but more importantly in terms of changed attitudes to unions. The team concept induces a shift of loyalties away from the union to the immediate work group and through that group, to the enterprise as a whole. Team working thus conditions the labour force to define itself primarily by the employing company, rather than by craft and trade union membership, as is apparently more usual in Japan. Ford (UK) see the shift of loyalties as a long term project and have a confidential company plan spanning several years which includes production line workers operating in flexible teams with group leaders, and blue collar workers doing work done presently by white collar supervisors(53).

Competition seems to be inducing cultural convergence through a socialisation process based on changed working practices and a new attitude at work in line with Maurice et al's contention that "The less value an organisation places on educational qualifications and socialisation by them, the more it will try to institute a socialisation process of its own."(54) Educational qualifications did not appear to be highly regarded as a prerequisite for employment with Maxell and Brother. In this regard they may be the model for at least production workers at Ford(UK) in the future, i.e., labour trained outwith old craft disciplines, to do a variety of jobs specific to the company and devoid of the socialisation induced by traditional education and training programmes.

As already observed, there appeared to be no pressure from the labour forces at Maxell and Brother for trade union recognition. Never having experienced unions, and now socialised to accept close management contact and supervision, they literally did not know of any different or alternative relationship. They were still within the capitalist system and therefore still had different sets of interests from managers and owners, but these differences were being carefully masked behind a cloak of universal membership of the company and daily and sometimes hourly contact with management.

The Influence on employment practices.

The fourth question of the programme calls for a return to the chief features of an industrialised culture and their influence on employment praxis. A concluding comment on a number of these must now be attempted, beginning with what Fox calls "trust relations" (55) and the related concept of the role of conflict. At this point it may be true to say with Pascale and Athos that North America (and Britain) are "powerfully disadvantaged" (56) by their cultures in comparison with Japan. The high value Japanese place on harmony or cooperation, however, was not immediately apparent either in the Maxell factory or in the Brother factory. As with the control of conflict, the issue appeared to be dealt with indirectly as a result of almost complete concentration on the production task, so that it could be said with White and Trevor that "the emphasis on task combined with 'management by detail' seems to draw managers and their workers into a shared discipline and a common outlook". (57) Nevertheless, in the present study it is felt that this may be too facile a conclusion to make - that the robust counter culture of the British labour force continues to make the ensuing harmonious relations fragile.

At this point it is worth comparing practice at Hewlett Packard with that at Maxell. Both concentrated primarily on the production task. At Maxell this concentration emanated from a culture that is group centred and arranges allegiance in order of nation, company and then family. At Hewlett Packard task concentration was located in a culture that extols the virtues of individualism. Hewlett Packard, and to a lesser extent Burroughs, cleverly blended cultural individualism with corporate goals to produce a labour force of ambitious individuals who simultaneously knew they had little economic future outwith the collectivity of the company. Cressey, in his study of Comco, (58) analyses how this is accomplished. It needs steady and preferably substantial company growth which, in turn, generates job security. From this base an ethos of internal equality and commitment to the enterprise is sustained by a continuous emphasis on the corporate philosophy. In other words, this particular management style is technologically determined via the "golden cycle of expansion" (59) rather than determined by a particularly

humanitarian philosophy. This must largely have accounted for Burroughs' failure to emulate the Hewlett Packard company ethos, their product market having been much less certain than Hewlett Packard's. It may also account in part for the difficulty British firms like GEC and Lemac have in breaking out of the cycle of shrinking profit margins and brittle industrial relations.

The very real achievement of the Japanese, particularly at Maxell, was that they had almost created a Hewlett Packard type ethos without the apparent advantages of a technology that seemed inherently to imply growth, and without a high grade, multi-graduate labour force. From this it must be concluded that they brought to the production process a culture that was able to commit people to the company without appearing simply to control individuals. One clearly astute example of this policy was the way in which indigenous feelings of competition were channelled at Brother into team competition, as is apparently common in Japan. (60)

It is also apparent that the host culture cannot be lightly dismissed. Even the deliberate selection of well adjusted young people with virtually no previous work experience, does not guarantee freedom from traditional work habits and outlook. Hence the continuing fragility of industrial relations at Maxell was particularly manifest over the issue of alleged declining wage levels and the resistance of British managers to working long hours for the company.

A second area of interest is the opaque management/worker divide and single status working avidly adopted by most large Japanese companies and commonly a feature of leading American companies. These are generic terms for the absence of what White and Trevor call "deeply rooted aspects of British management methods which are difficult either to "unlearn" or to reconcile with Japanese systems." (61) From observations at Maxell and Brother it was apparent that the management/worker divide remained in at least two ways. Firstly, managers were not eligible for overtime payment and, secondly, British managers had not been recruited from the shop floor but from managerial ranks elsewhere, with university or near university standard qualifications. The gulf between the two groups was blurred in a number of ways, by near single status working, by the comparatively large number of subdivisions between operator and managing director, by the

frequent presence of managers on the shop floor, not just in a supervisory capacity but visibly participating at times in the production process, by the universal use of first names, by encouraging all employees to see themselves as "members" of the company, by wearing a common "uniform" and by an increasing number of after hours social events. The divide did not appear to have been obscured by formal consultation, by information sharing, or even by widening the share in decision making. In other words, there was a sympathy towards obscuring the management/worker divide and, at the same time, a reluctance to make more radical efforts to abolish it. Why? Was there a fear on the part of senior Japanese management of a loss of identity, or a loss of control? To some extent there had been some loss of identity at Hewlett Packard. Most of the senior posts at South Queensferry were staffed by Scots and one manager did say he thought of the company, not as American, but as Scottish. In a sense, too, the American company had devolved a fair measure of autonomy to the Scottish plant. At Maxell, on the contrary, there was daily contact with the parent plant in Japan. No one was in any doubt that this was a Japanese factory and most of the senior positions at both Maxell and Brother were held by Japanese. Perhaps there is a time factor operating here and the observer ought to return in ten or fifteen years time. Nevertheless, at the time of the fieldwork research, a cultural dialectic gripped these factories, which was reflected in employment praxis, as already indicated. A useful spin off for ex-patriot managers in both Japanese and American companies seemed to be the reinforcing of some management legitimacy by the wholly spurious contribution of ethnic difference.

All of the foregoing is to be compared with practice at GEC and Lemac. Apart from a tiny step at GEC towards single status working, both factories operated with traditional British industrial relations systems. They differed markedly from the other four factories in their relationship to the local community. It was not simply that the labour forces were drawn from smaller areas with long established identities of their own, but that the local community had evolved a proprietorial concern for the factories, probably due in large measure to the serious decline of manufacturing industry in these districts and to the longer period of time in which the factories had been operating compared with

the other four. Consequently, neither the management/worker divide nor single status working was an issue per se. Concern focused more on personal relationships, in keeping with the indigenous cultural individualism that so flagrantly undermined class solidarity and had produced, for example, the host of negative responses to trade unionism that were noted in Chapter 4.

The main features of an industrialised culture influencing employment practices seem to be its ethic, its views of community and family and the place and content of religion. In the present study the Japanese work ethic and social ethic appeared to influence industrial relations in the direction of high trust relations and an emphasis on loyalty and discipline, (62) long hours of overtime in response to product sales, a reluctance to dismiss employees and a concentration on the production task and particularly on quality. There was no evidence of their alleged preference for ambiguity rather than logical distinction. (63) This description of the work and social ethic also happened to be a good "fit" at Hewlett Packard and, to a lesser extent, at Burroughs.

The Confucian and Protestant ethics have much in common. One fundamental difference, however, is that Confucianism assumes the basic goodness of man, whereas traditional Calvinism assumes his basic "degeneration". (64) The difference between Hewlett Packard and Burroughs appeared to be that Hewlett Packard had adopted a "Confucian" perspective, whereas increasing management control at Burroughs had reintroduced an essentially Calvinist perspective leading to a regard, or disregard, as needs dictated, for employee motivation and contentment.

Of the six factories only Maxell and Brother selected employees on the basis of their perceived ability to fit in. It was a policy that appeared to be correlated to their views of company and family, and supported the importance they placed on cooperation, shared values, corporate objectives, and control of the labour force. These were categories that were also clearly valued at Hewlett Packard and, to some extent, at Burroughs, but neither of the American companies attempted to screen new recruits on the basis of their personality. Technological

considerations seemed to dictate that qualifications and assessed ability were given priority.

At the Japanese factories, from the British cultural point of view, managers appeared to labour under a greater burden and effectually to have fewer privileges than managers in either the British or American owned companies. Their own cultural bias towards the primacy of the family was, in terms of their work, a disadvantage to them. The Japanese manager's relationship with the company is said to be characterised by a sense of obligation(65) and appears to be sustained at the expense of his relationship to home and family. Pressure exerted by a slack labour market situation, intense trading competition, the need for status and security, produces an almost "spiritual" relationship to the enterprise that has an intrinsically ultimate quality about it which can also make the relationship idolatrous in Judaeo/Christian terms. Thus the secularised British manager feels uneasy about entering into this kind of relationship with the company even although he knows that it is in his own economic self interest that the company should flourish.

Consequently it may be argued that the third determinant of an industrialised culture is its religion, even in a culture where organised religion has no longer a relationship with the state (ie., Japan) or in a culture where an apparent remnant of institutional religion is overlaid by an almost universal secularism as in Britain and, to a lesser extent, the United States of America. There are now many volumes extant in English on the possible existence of a whole number of religious categories in contemporary Japanese culture, and a number have been mentioned in this study. Likewise, there are many scholarly studies of the secularity of Western civilisation. The real point for this study is the contention that people remain basically religious even in a post capitalist society. That is, they retain their gods, continue to generate myths, and live within rules and taboos that are not always open to rationalisation. The culture of capitalism seems to be no exception. Only Marx and Engels have made any real attempt to explore a non religious alternative. (There is therefore a basic injustice in dismissing Marxism as yet another religion.) They were exploiting a crack in the history of human thought that had recently,

and for the first time, been opened by Feuerbach and Nietzsche. How successful they have been is the subject of at least another study. The point to note here is that the religious weltanschauung is a feature of industrial relations in British, North American and Japanese factories and its presence in terms of perspectives on family, community, individualism, wealth creation and nationalism have been detected in most of the preceding chapters. Pascale and Athos' contention that "we in the West have evolved a culture that separates man's spiritual life from his institutional life" (66) appears only partially correct. It may be more true of factory work life than of work life for the doctor or social worker in the West, in which case there are grounds for arguing that the recovery of an essentially spiritual relation to, say, the company, would benefit manufacturing output in Britain and North America. Bell demonstrates with some conviction that that essential spirituality was lost when Western capitalism departed from the original Protestant ethic of frugality, or rather was inevitably lost because of its dependence on consumption as well as production. (67) The Japanese appear to sustain their spirituality at work with a barely disguised nationalism. (68)

The Measurement of culture in industrial relations.

At the inception of the study it was envisaged that an ideal industrial personality be defined and the actual corporate industrial personality at each of the six factories compared with the ideal to determine which management regime was producing a personality closest to the ideal, and also to detect and measure cultural features producing the ideal type. In the event, it was felt this approach was more appropriate to a large sample of companies which, as far as the Japanese companies were concerned, was not possible to acquire in Britain in 1985/86.

It is, of course, more helpful to narrow the question of the impact of culture to particular features of industrial relations. Attitudes at work, perceptions of management and the provision of working conditions

have been singled out in this study for reasons stated in Chapter 5. Each contributes to that important but elusive concept, job satisfaction. Although it is acknowledged that at a time of high unemployment job satisfaction is less of an issue both for employers and employees, the concept has a certain intrinsic moral imperative that makes it of abiding interest to caring employers and thoughtful employees not least because man is defined by his work and seriously deprived if it does not give him a sense of satisfaction. Furthermore, much of the perceived success of Japanese industrial relations is based upon their alleged ability to produce "happy" workers although this is not substantiated by some research.(69) In the current study, as discussed in Chapter 6, an attempt has been made to tighten the measurement of job satisfaction

While the conclusion of White and Trevor that job satisfaction is not noticeably higher in Japanese owned factories in Britain is challenged, and observation at Hewlett Packard seems to confirm their conclusion that job satisfaction can be as high in American owned companies, the argument of Chapter 5 is that in the question of job satisfaction there is no fundamental division between welfare provision in the broadest sense and an emphasis on rational, participative, well organised production. Given that people enjoy rationality, these features are likely to contribute as much to job satisfaction as the more traditional "welfare" features. Briggs suggests that the whole concept of job satisfaction is founded in Japan upon the concept of endurance or "gaman". "The concept of endurance is fundamental to the Japanese and owes much to their understanding of 'bushido' or the way of the warrior. To follow in the footsteps of their illustrious ancestors (most Japanese, if asked, will claim descentance from a noble Samurai family), the Japanese must be exponents of seishinshingi - the victory of the spirit over material things." (70)

The second point is that this type of task oriented, well organised production has authentic roots in Japanese culture.(71) In this respect Japan does appear to have a cultural advantage over Britain and North America. While all three share to some extent a common work ethic, viz., work is a good end in itself, only Japan, it could be argued, can claim a centuries long tradition of corporate organised production, pre-dating

the industrial revolution in the West, which extends into their contemporary industrial society.

The question of participation and consultation represents a further area of interest in industrial relations where it appears almost possible to measure a cultural influence. The findings of this study suggest that this is a second area in which the Japanese enjoy a cultural advantage over Britain and the United States. Neither is it a question of Japan being a more egalitarian society than, say, Britain. In many ways it is not. It is hierarchically stratified in terms of age, qualifications, job status, sex and even point of birth within the family, producing, in comparison to Britain, a somewhat stiff, formal, patriarchal, authoritarian society. (72) Despite these cultural disadvantages, levels of communication between people in Japanese organisations in Britain appear to remain astonishingly high. Perhaps, in fact, this is the key to the issue, namely that human communication does not necessarily influence the above apparent disadvantages. A homely parallel might be the example of the wealthy titled owner of thousands of acres who, despite an almost unbridgeable class divide, still enjoys a relationship of trust and communication with his comparatively penniless gillie.

The so-called disadvantages of Japanese culture in this regard, seem often demonstrated by managers in large Japanese companies, to be irrelevant to the business of managing a significant group of people in a way that maximises each individual's contribution to the corporate objective, and optimises the general awareness that everyone is participating in achieving that common objective. Maxell and Brother were by no means egalitarian organisations, yet there seemed to be a high general awareness that most people were being regularly consulted and given frequent ongoing opportunity to contribute to the production process. Perhaps there is a lesson here for industrial democracy in Britain and it is possible to increase the sense of democracy at work without concentrating on the industrial relations framework, i.e., consultative meetings, the issue of representation, or even participation in decision making and the flow of information. The Japanese appear to democratise the shop floor by encouraging managers to spend time speaking with people and even working alongside people. They

appear to understand management not so much in terms of telling people what to do, but more subtly, by so establishing a relationship with the supervised employee that it is possible to channel the employee effort towards agreed company goals. For many British factories this would mean emphasising the technical activity of management as distinct from Fayol's "managerial" activity. (73) It would mean confining the planning, organising, coordinating and controlling functions of the managerial activity to hours after production has ceased for the day. From observations at Maxell and Brother this appeared to be the modus operandi of the Japanese. Whether it is, in fact, democracy or a move towards democracy, is another question. The point is that employees feel it to be more democratic and this awareness appears to be sustained by creating high levels of commitment to the enterprise, probably assisted by strong cultural factors. The British factory appears to be faced with the choice of attempting to create a similar climate of commitment or of accepting higher administrative costs by employing more people to remove as much of the managerial (in Fayol's sense) function as possible from managers. In effect, the Japanese perception of the manager is that of a "supra-supervisor" and therefore essentially an élite blue collar worker rather than a qualitatively different white collar worker somewhat remote from the production process. While it is possible to agree with J.C. Abegglen "that the system (Japanese style management) as we see it now is essentially a product of the post war period", (74) nevertheless, as observed on several occasions throughout this study, Japanese culture seems to have made a substantial contribution.

Abegglen admits this himself. Writing about the business corporations of Japan, the kaisha, he says, "The emphasis of these studies is on the unique history, culture, and organisation of Japanese society. The management methods of the kaisha are seen as the unique products of a unique society. It follows from this view that efforts to transplant Japanese management methods into a different cultural milieu are bound to fail.

This is a view not to be dismissed lightly. Japanese history and culture are unique, as indeed are the histories and cultures of all the world's peoples. These leave special imprints on the nature of economic organisations, as they do on all other social organisations." (75)

This of itself need not deter enterprises in alternative cultures from learning from an analysis of these cultural constructs at work, and drawing on comparable cultural mores in their own social environment to produce a similar result.

Latent cultural categories?

"....there are already many forces at work in our culture that can modify the inappropriate injunctions of our past." (76) Thus wrote Pascale and Athos in the conclusion to "The Art of Japanese Management". The purpose of this final section is to try and initiate the identification and explanation of a number of these "forces". A striking consequence of the study of cultures is not so much their differences, but the categories held in common. Often the variation appears to be in the degree of emphasis on a particular practice rather than a difference of substance. For example, concepts of harmony, sincerity, loyalty, cooperation and family, and practices of gift giving, deference and stratification seem to be almost universally present in human societies. Differences emerge in the value placed on them rather than their existence or non existence. From the clearly vast number of cultural practices and habits that have evolved over millenia, those which are perceived to have at least a potential contribution to make to industrial production are of interest in this study. Equally, from the plethora of these categories only those which it has been possible to consider in the fieldwork of this study are explored in this particular section.

The most important is the dichotomy between collectivity and individuality. There seems to be no absolute distinction between Japanese cultural practice and practice in either Britain or the United States, but rather a continuum from the individualism of the North American society, through the mixture of individualism and collectivity in Britain, to the collectivism of Japanese society. There is no reason why, in theory, British and even American society should not develop in a more collectivist direction than at present, despite the

individualising propensity of capitalism and Protestant Christianity in Western Europe. Some policies of the present UK government, eg., increasing central control over local government, the introduction of the Community Charge and the introduction of national standards in the educational system, represent moves towards a more homogeneous collectivist society. While Protestantism fragments and individualises, it is only a comparatively small part of a much greater cultural whole in which the primacy of the community has often been stressed, whether it be in feudal responses to a perceived threat, or the Judaeo/Christian concept of life in groups, dioceses, congregations, and churches, or the rise of the trade union movement and the expansion of the franchise.

Despite forecasts to the contrary, (77) Japan apparently remains a highly collectivist society and in large companies the sense of commitment to the company is still very strong, especially in comparison to that found in Britain and North America. The post war Japanese experience of capitalist production seems to represent a modification of the Marxist theory that the means of production necessarily determines the socio-cultural shape of society. There are signs that Japanese culture's ability to modify some of the more dehumanising and community destructive consequences of Western capitalism may well prove to be a feature which the global family of man will one day regret (if it issues in Japanese domination of the Pacific Basin), or in which one day it will rejoice, if Japan represents the future for industrial society in the West, as suggested by Dore. (78)

The key to reviving the latent sense of community in Britain and the United States may well lie in what Pascale and Athos call the need for superordinate goals. (79) The lack of superordinate goals is probably Western capitalism's Achilles heel. The ease with which they might be revived along nationalistic lines was amply demonstrated by the jingoism engendered by the Falklands War. Historically, nations were often given these goals by their religions and, in recognition of their importance, religion accepted as an estate of the realm. The challenge facing contemporary Western capitalism seems to be the need to develop superordinate goals that will allow people at work to commit themselves to the common enterprise without cynicism, without feeling they are being exploited and with a sense that their dignity as human beings is

being enhanced rather than being trivialised. Thus the ethic of industrial society in East Europe appears powerfully attractive. By centering superordinate goals on the maximising of the common good as represented by the state, it appears in theory to fulfil all the criteria of non exploitation and enhancement of dignity, and to approximate to the "non deifying, non religious spiritualism" (80) that Pascale and Athos feel is essential for the future of industrial production. Neither has the concept been fundamentally alien to the Judaeo/Christian tradition. The periods of theocracy enjoyed by pre-diaspora Jews and the substantial overt proclamation of the Kingdom of God in the Gospels both appear to support the view that herein lies the key to the future good of civilisation.

Meanwhile many British and American enterprises appear to be trying to achieve the same end, viz., commitment to the enterprise, by an entirely "non-spiritual" route via team working. They have latched on to a particular feature of Japanese industrial relations ignoring the fact that as with so many Japanese practices, it is part of a wider set of culturally conditioned features, in this case, linked with Japanese nationalism. The Japanese apparent success with team working in Britain may have more to do with rates of pay and job security at a time of high unemployment than with team working per se.

Furthermore, two different cultures, West and East, are producing two different concepts of the team, as noted in the conclusion to Chapter 6. The West, as represented by, say Hewlett Packard, seems to be producing the team of entrepreneurially minded individuals. The East, represented by, say, Brother, seems to be producing the team in which individualism is suppressed so that decision making and responsibility is team based rather than individual based. The former is clearly not so likely to include superordinate goals linked with a sense of community as the latter.

A second area of primary interest for this study is represented by that group of more abstract and inter related ideas of loyalty, harmony and sacrifice. That they are high on the agenda of most Japanese employees is the common belief of the majority of observers of Japanese industrial relations. Not one is absent from the socio-cultural tradition of either the United States or Britain but both of these

nations do appear to have developed a somewhat different "central value system" from that found in Japan.

The Japanese central value system was developed essentially in the Tokugawa period (1600-1868). As in feudal Europe, the concept of loyalty to the local lord was paramount. In Japan, the feudal lord was more likely to be an honest, frugal and perhaps ascetic figure, in contrast to the more common stereotype of the "carousing robber barron" of Medieval Europe. Loyalty to the lord developed into loyalty to status, paralleled in Europe by a developing class awareness. In this Tokugawa period, Japanese society evolved under the twin influence of Buddhism and Confucianism, the former contributing habits of frugality and asceticism, the latter emphasising bureaucracy and family. The net effect was a fairly fundamental transition from a militaristic society to one more concerned with intellectual and economic development, and politics. (81) In the post 1868 Meiji period, the Samurai warrior class supplied men capable of running business enterprise, organising local government, and building up the political infrastructure of an industrial society. The loyal, hardworking and frugal labour force came from the peasantry reinforced by a highly developed, structured, familial lifestyle from which emerged the thousands of small family businesses, often operating in harsh and primitive conditions, and which formed the backbone of industrialism in Japan. Without examining the reasons for the differences, it does appear as though the medieval Church in Britain was less successful in imposing an ethic of asceticism and frugality than Buddhism and Confucianism in Japan. Instead of an evolution of Church or religion with the state, effectually a revolution occurred with the Protestant Reformation in Scotland and the separation of the English church from Rome in England and Wales. The resultant fragmentation and polarisation of British society appears to have provided a hardworking pool of labour drawn from the land, as in Japan, but without equivalent levels of either loyalty to status or strength of extended family bonds. A less homogeneous and less religious society than that of Japan began to develop superordinate goals of a politico/economic nature, emphasising qualities of individuality, egalitarianism and national strength increasingly based on wealth creation and the supply of raw materials from abroad.

Whereas in Japan the inception of the Tokugawa period and the Meiji restoration were separated by some two hundred and fifty years, in Britain the comparable social movements occurred almost simultaneously with the Reformation and the Civil Wars. The resultant central value system is thus secular, individualised, more egalitarian than in Japan, based on the nuclear family capped by a more amorphous sense of loyalty to nation than the specific sense of Japanese loyalty to enterprise and the royal family. In North America the pioneering days seem to have bequeathed a legacy of heightened individualism and egalitarianism, an emphasis on status based on wealth, and a nationalism closer to that of Japan, focusing on the offices and institutions of government in lieu of a royal family.

Clearly history cannot be re-run. Nor can a culture be created directly. An analysis of the past can, however, suggest solutions to the problems of the present. By comparing Japanese social development with that of Britain and America, these features of culture, ethics, religion and metaphysics which seem to optimise the conditions for the development of industrial production do appear to become a little clearer. For a society to have a perception of the direction in which it wishes to go is surely more satisfactory than simply meeting the existential challenge as it arrives moment by moment. The difficulty for the somewhat disparate societies of Britain and the United States compared with that of Japan, is that of gaining majority support for the chosen direction. Such is the nature of capitalist society, it could be argued the future of industrial development will be imposed on the world by the most recent developers, as Britain was in the 18th. and 19th. centuries. If this is the way industrial production effects social change, those who do not face up to their cultural disadvantages are likely to be left behind.

In an interesting comparison between China and Japan, Bellah(82) describes Chinese society as one which emphasises the primacy of integrative values, where social goals and social change are secondary to maintaining the existing social structures and cohesiveness is more important than wealth, and maximising the quality of the status quo more valued than improving overall performance. In many ways this also seems to be a fair description of contemporary Britain. The fascination of the

study of Japanese and North American companies operating in Britain is that they create a cultural interface between people conditioned in a culture where integrative values are stressed and people conditioned in a society where goal achievement values are stressed. All three cultures have benefitted historically from religious support for central values of hard work, frugality and selfless devotion to corporate goals. Asceticism in Japan and fundamentalism in the United States appear to continue to contribute to industrialism but what future is there for the revisionist religion of hedonistic capitalism where growth and consumption struggle to maintain even the sporadic flicker of Victorian values?

This thesis argues that the cultural background at every level, is important for industrial relations. Many features of Japanese culture are particularly suitable for a form of capitalist enterprise, viz., that form that does not make the market an absolute but leaves room for judicious central planning at government level and at the level of the business conglomerate. It is a form also that does not absolutise the individual but gives a central place to team working and thereby channels individual competitiveness into group competition and ultimately to competition between companies and groups and conglomerates of companies. This has the effect of isolating companies within the conglomerate and from companies in other conglomerates which in turn, strengthens and promotes company culture thus closing the circle that makes for a formidable manufacturing unit. Within that unit, manufacturing techniques may not be any more advanced than in competitors' factories. Management techniques may indeed simply be based on 'common sense'. The crucial feature is the strength of corporate commitment. Where that is strong, as in the early days of start-up, with a strong sense of corporate purpose, astonishing time schedules can be met and extraordinary targets achieved. Where it is weak, as in GEC, and to some extent in Burroughs, strong management and the latest technology on the production line, are not enough to 'lift' the labour force, boost production and improve factory efficiency and profitability.

Under the guise of being British, as at Brother, and more overtly Japanese as at Maxell, the Japanese are imposing a culture in the workplace - a culture of dependency, ranking, deference, obedience and

commitment to the work ethic, a degree of asceticism and incorporation into the company beyond that in the US or British owned plants. There are certain ground conditions that make this possible, the distribution of organised labour, people hungry for work in areas of high unemployment, industrial relations legislation that has removed expensive protective rules and regulations, a climate of job insecurity, and people conditioned to believe the external social setting is one of diminishing law and order. Within the factory, the Japanese and to a lesser extent the Americans, offer the chance to be part of a social élite, those who have apparently secure, and in comparison to the local average, well-paid jobs. They offer well regulated purposeful work environments, where people are treated decently. They create the appearance of consultation and information sharing and offer an internal society where everyone knows their place, their status and rank, which in itself diminishes feelings of insecurity.

At the macro level, the Japanese seem to be using the same techniques as in Japan, collecting around them and binding to them an army of suppliers of parts and sub-assemblies. Over time, this army may become more and more dependent on the Japanese buyer. In return it will be under constant pressure to maintain a fault free output while at the same time having an almost guaranteed market for that output so long as it continues to meet Japanese standards of quality.

At the level of the plant, the Japanese economic family ethos prevails. It contains a strong element of sacrifice for the common good. In this case, management grades are being asked to do the sacrificing. In return they maintain some status in the company. The labour force is reduced to hewers of wood and drawers of water. No element of *sacrifice* is asked of them, neither is loyalty *expected* although it is sought. It is expected of management.

The days of the Japanese 'catching up' with the West are over. They are now setting the pace, not only in factory organisation, but in the total organisation of the capitalist enterprise, from investment to sales to the customer. In fact this is where Japanese culture makes its maximum contribution. It is not so much in terms of specific cultural details, although as seen in the thesis, these can be useful. Rather it lies in the fact that the culture is homogeneous. It is the culture of a

totally integrated whole and it is this feature above all, that is effective within the Japanese company and probably within the conglomerate and the nation.

Notes to Chapter 8.

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26. P.Tillich, "The Protestant Era", University of Chicago Press, 1966, p43.
27. Op. cit., p216f.
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41. R.Dore, op. cit., p10.
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44. Op. cit., p418.
45. Op. cit., p220.
46. Op. cit., p258.
47. Op. cit., p134.
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49. "Financial Times", 10th. February 1988.
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54. Maurice et al, op. cit., p180.
55. A.Fox, "Beyond Contract, Work, Power and Trust Relations", Faber, 1974, Chapter 2.
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58. P.Cressey, "Participation in the Electronics Sector: The Comco Case Study", Centre for Research into Industrial Democracy and Participation, University of Glasgow, 1984, p46.

59. Ibid., p47.

60. See T.P.Rohlen, "Spiritual Education in a Japanese Bank", in American Anthropologist, No.75, 1973, p.1555, and also E.Vogel (ed.). "Modern Japanese Organisation and Decision Making", University of California Press, p.xxiii, 1975.

61. Op. cit., p136.

62. Mauer and Sugimoto argue the Japanese society is deficient in trust. "In some ways this all boils down to the matter of trust. As observed above in many proverbs which caution Japanese to beware of others, the general level of trust in one's fellow human beings is low in Japan. Japanese companies hire security firms to investigate prospective employees....." Op. cit., p221. Komatsu in Britain are members of the Economic League, but then so are very many British and American companies!

63 See eg., S.D.P.Picken, "The role of Values in Corporate Enterprise in Japan", unpublished lecture given at Tsubaki conference, November 1984.

64. Both Christianity and Confucianism throughout their history have embraced a number of divergent doctrines. Pelagius (c360ad.to 420ad) taught that each individual was responsible for his own salvation, that sin was not inherent, and that grace was only an aid to righteousness rather than its source.

Conversely, Hsün-tzu, an early teacher of Confucianism believed that man's nature was originally evil, that he inherited unfulfilled desires and envy, and that these were the inevitable source of conflict. He was, however, excluded from the main development of Confucianism according to Wing-tsit Chan in "The Encyclopedia of Religion", Macmillan, 1987, p20,

and that "This exclusion is based in part on Hsun-tsu's doctrine of the evil nature of man..."

65. See eg. Y.Tsurumi "The Japanese are Coming", Ballinger Publishing Company, 1976, p221.

66. Op. cit., p192.

67. D.Bell, "The Cultural Contradictions of Capitalism", Heineman, 1976.

68. As eg., in company songs.

69. See eg., P.Briggs, "The Japanese at Work: Illusions of the Ideal", Industrial Relations Journal, Volume 19, No.1, Spring 1988, p26.

70. Ibid. p26.

71. See T.P.Rohlen, "The Company Work Group", in "Modern Japanese Organisation and Decision Making", ed. E.Vogel, University of California Press, 1975.

72. See eg. C.Nakane, "Japanese Society", Penguin, 1970, Chapter 3.

73. See A.G.Badreian, "Management", The Dryden Press 1986, p46f.

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81. See R.Clark op. cit. p25.

82. R.Bellah, "Tokugawa Religion", Free Press, New York, 1957, p188.

APPENDIX.

Method of computing Table 45.

The following question was put to employees:

How often are you late for work?

Seldom (3 times per year)	3.
Never	4.
Often (once per week)	1.
Sometimes (once per month)	2.

TABLE 44

ABSENTEEISM

(DAYS OFF PER YEAR)

INTERVIEWEES	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	Avg
GEC	*3	0	2	0	0	0	2	4	4	0	0	0	0	0	0	0				1
LEMAC	5	0	3	0	5	4	3	4	3	0	4	3	4	0	4	2	0	0	0	2.3
HP	0	2	0	2	2	5	4	3	1	5	0	2	3	2						2.2
BURROUGHS	0	0	2	4	4	0	4	0	0	4	1	4	3	4	2	2	0	0	0	1.9
MAXELL	2	5	1	3	5	3	5	4	0	2	2	0	0	0	4	1	0			2.3
BROTHER	2	5	0	0	2	1	1.5	0	0	2	0	2	2	2	0	0	0	5		1.3

* ADSENCES (DAYS)

2

TABLE 45

TIMEKEEPING

INTERVIEWEES	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	Ave
GEC	4	4	3	4	3	3	4	3	3	2	4	3	2	4	2					3.2
LEMAC	4	4	3	4	3	4	3	4	3	4	4	4	4	4	3	3				3.6
HEWLETT PACKARD	3	4	3	3	4	3	2	4	4	3	3	3	3	4						3.3
BURROUGHS	4	4	4	3	4	3	4	3	4	4	3	4	4	4	2	4	4	4	4	3.7
MAXELL	2	3	4	3	4	3	3	3	4	4	3	4	4	3	4					3.4
BROTHER	4	3	4	4	3	4	4	4	4	4	2	4	2	3	4	4	3			3.5

FOR METHOD OF CALCULATION - SEE APPENDIX

