

Doing the right thing? HRM and the angry knowledge worker

Jean Cushen and Paul Thompson

This paper explores the relationship between human resource (HR) practices, commitment, work and employment relations. Drawing on an in-depth ethnography of knowledge workers within a global, high-technology, knowledge-intensive firm, the paper offers a multidimensional understanding of structures of influence and of commitment that interact in distinctive ways to shape the employee experience. In examining the context and content of 'best practice' HR in a 'celebrated', leading-edge company, we have offered a more complex, grounded picture of the intent and outcome of commitment-seeking policies. The paper demonstrates that, contrary to mainstream and critical scholarship, skilled technical workers in knowledge-intensive firms can be uncommitted, angry and high performing at the same time.

Keywords: commitment, financialisation, HRM, identity, knowledge work, normative control.

Introduction

It is axiomatic in mainstream management literatures that if a company articulates and implements perceived human resource (HR) best practice, it will or is highly likely to secure the commitment of its employees and resultant productivity benefits. Best practice has traditionally focused on a double integration, firstly, of people management issues with the corporate strategy (Boxall and Purcell, 2003) and, secondly, of a 'bundle' of consistent practices in the spheres of selection, training, development, rewards and communication (Legge, 2005a: 114). Drawing on an in-depth ethnography of a leading global knowledge-intensive firm, this paper challenges many of the aforementioned assumptions, demonstrating that skilled technical workers in knowledge-intensive firms can be high performing, and simultaneously uncommitted and indeed angry towards the company. This paradox was puzzling to the company, who are regularly featured in lists of 'best places to work' and believe, with some justification, that they are doing the right things, at least by the HR rule-book. It is, or should also be,

□ Jean Cushen (Jean.Cushen@dcu.ie) is a lecturer within the Business School of Dublin City University where she teaches in the areas of Human Resource Management and Employee Relations. Jean's research interests include HRM, the labour process, financialization and knowledge work. Paul Thompson (p.thompson@strath.ac.uk) is Professor of Organisational Analysis in the Department of Human Resource Management at the University of Strathclyde. Informed by labour process theory, his research interests focus on skill and work organisation, control and resistance, organisational restructuring and changing political economy. He has published in a wide variety of leading journals, including *Journal of Management Studies*, *Organization Studies*, *Work, Employment and Society*, *British Journal of Industrial Relations*, and *Sociology*. He was Research Notes, Debates and Controversies Editor of *Work, Employment and Society* from 2007–2010.

a puzzle to academics and not just in mainstream human resource management (HRM). Post-structuralists and others associated with critical management studies (CMS) have traditionally claimed associations between intensive and extensive normative interventions and captured or colonised employee subjectivity (Townley, 1993; Casey, 1995). Even where the language is less extravagant, scholars in this tradition have consistently linked culture-led HR practices and employee commitment to knowledge-intensive companies and knowledge workers (Alvesson, 2001).

This paper challenges the salience given to soft, normative controls as explanations of workplace outcomes and employee behaviour. It seeks to develop a multidimensional understanding of structures of influence, distinguishing between financial, normative and work structures that interact in distinctive ways on the experiences and expectations of employees. Such varieties of context potentially intersect with diverse forms of commitment, defined as systematic forms of attachment to particular values or actions. While a review of that literature is impossible given space constraints, it is accepted in social psychology and sociological literatures that an individual can have different levels and foci of commitment to different structures in the workplace (Reichers, 1985; Meyer and Herscovitch, 2001). Such sources include the organisation, the team or immediate workgroup, the professional or occupational group, or trade union. While these are not necessarily in conflict, there is a persistent tension between the discretionary behaviour derived from employee commitment to the organisation and the sense of ownership over knowledge and skills felt by professional and expert labour (Kinnie and Swart, 2011). Such distinctions tend not to figure prominently in the HRM literature or critical commentaries on it, to which we now turn.

Disentangling the normative

HRM and associated critical literatures cannot be taken as a cohesive body of ideas. This section disentangles and clarifies claims and content with respect to normative interventions.

In mainstream HRM there is a great deal of ambiguity with respect to notions of culture and commitment. In early versions there was a straightforward association between HRM, strong cultures (and other value-led approaches) and positive performance outcomes. This is sometimes linked to the idea of 'soft HRM' and mutuality models, where commitment and investment in human capital is seen as central to competitive advantage (Pfeffer, 1994; Appelbaum *et al.*, 2001). In recent years the relationship became less linear. For example, the term 'high-commitment' model (Wood and Albanese, 1995) is often used to refer both to the intent of particular normative interventions and to the effects of a wider range of 'high performance' practices. Discourses of managerial normative interventions through culture change are less prominent in the contemporary corporate arena, but to some extent they have been repackaged as 'employer branding', which links the identity of the firm as an employer with its policies on attracting, motivating and retaining employees. While much of the emphasis has been on the management of reputation and attracting employees in the so-called talent wars, Martin *et al.* (2011) argue that 'external branding of the organisation in labour markets always rested on having existing employees "live the brand" . . .' (2). How true that claim is of organisations generally at the moment is unknown, but it is relevant for the case organisation. It might also help to explain why Branding has been promoted by respected HRM bodies such as the Chartered Institute of Personnel and Development (CIPD) in the UK and by management consultants (Martin *et al.*, 2005; Cushen, 2009).

Perspectives and practices emphasising the role of HRM in the reinvention of individuals provided a pathway for postmodern, post-structuralist commentaries on the character and significance of normative interventions. In an earlier phase, soft HRM and corporate culture were linked to the shaping of employee subjectivity and the production of 'designer' (Casey, 1995), 'engineered' (Kunda, 1992) or 'enterprising' employees (du Gay, 1996). HRM is treated as a cultural construction seeking to refine the meaning of work relations between employees and the organisation. These

perspectives were strongly influenced by Foucauldian concepts concerning new disciplinary regimes that identified HRM discourses and practices as an important source of such discipline (Townley, 1993). Many argued that with the apparent growth of 'soft' managerial practices and policies, other structures and controls had been displaced or replaced (Courpasson, 2000; Thompson and van den Broek, 2010). Although such claims are still repeated by adherents to CMS (see Keenoy, 2009), external critique (Thompson and Ackroyd, 1995) and self-reflection (Newton, 1998) has led to a retreat from the more excessive Foucauldian claims of colonisation and internalisation. In their extensively cited paper on managerial interventions to produce the 'appropriate individual', Alvesson and Willmott (2002: 622) say they are 'eager to avoid the mistakes of 'stronger versions of this literature' that assume managerial omnipotence or employee passivity. However, the cultural techniques associated with soft HRM continue to be associated with the largely successful regulation of employee identity. Indeed, identity has emerged as the primary concept to critically explore normative structures and their shaping by managerial discourses generally and HRM practices such as induction, training and promotion procedures in particular (Alvesson and Willmott, 2002; Ainsworth and Hardy, 2004). While some contemporary case studies influenced by CMS do emphasise the existence of employee cynicism (Fleming and Spicer, 2003; Fleming and Sturdy, 2011; McCabe, 2011), the focus of such work is still primarily on 'the way in which staff were fabricated and constituted themselves as economic, cultural and autonomous subjects' (McCabe, 2011: 431).

As a number of commentators have observed, discourse and identity writings are still light on actual evidence of high commitment and internalised corporate norms (Leidner, 2006; Thompson and van den Broek, 2010). Moreover, there are increasing concerns from critical and mainstream researchers that within the context of shareholder-driven, financial markets, organisations are increasingly dominated by the principles of 'market rationalism' and normative interventions promoting commitment and cultural change are becoming less relevant or marginalised (Thompson, 2003; Kunda and Ailon-Souday, 2005). Complementing market rationalism is McGovern *et al.*'s (2007) concept of market discipline. The latter is invoked to explain the potential effects of insecurity, derived from adverse product, labour and capital market conditions, on worker compliance with extraction of higher effort. Such contributions raise major questions about how far the employment and work insecurity created by prioritising short-term financial interests and perpetual organisational restructuring is compatible with traditional HRM aims and claims:

Organizational disloyalty fuels employee self-loyalty. It drives employees to think more like members of traditional occupations and professions whose ultimate allegiance is to their skills and careers and who have little reason to identify with their current, but probably temporary employer (Kunda and Ailon-Souday, 2005: 213).

As noted earlier, HRM literatures on commitment–performance links are not necessarily dependent on the idea of normative intervention. There have been a number of 'internal' reviews seeking to clarify concepts and evidence (Boxall and Macky, 2009; Kaufman, 2010; Guest, 2011). One of the most promising lines of development is a willingness to re-examine sources as well as foci of commitment. Building on other contributions, Boxall and Macky (2009: 7–8) distinguish between work (the way it is organised) and employment (how people are recruited, motivated and developed) practices. Activities in the two domains can differentially affect commitment and performance. Guest (2011: 8) also accepts that there may be differences between high performance and high commitment versions of HRM. Nevertheless, although critical of some evidence and propositions in the HRM and performance debate, Guest (2011) continues to defend a universal, best practice, high commitment model. This is in sharp contrast to the increased significance attributed to conditionality and 'best fit' by many HRM scholars, where low road and 'hard HRM' practices are likely to predominate in labour-intensive, high-volume, low-cost and/or mass service industries (Boxall and Purcell, 2003; Boxall and Macky, 2009). In contrast, the high road is more likely to take in capital or

knowledge-intensive sectors in which 'high quality, committed labour' is essential to the maximum utilisation of expensive plant and materials (Legge, 2005b: 229).

Interestingly, a 'best fit' version of post-structuralist arguments can also be identified, focusing on the links between HRM, culture and knowledge workers. McKinlay (2005: 245) argues that 'The primary means of managerial control of knowledge work is the regulation of employees self rather than work flows or task'. In such accounts authors claim that because knowledge workers have so much autonomy in how they apply their complex skills, organisations must increasingly focus on enacting effective normative structure to shape employees' subjective identity and orient it towards the achievement of organisational goals (Alvesson, 2001: 1102).

Contrary to those heralding the prominence of market rational principles, it is sometimes argued that the management of identity and normative intervention in knowledge-intensive firms becomes more salient and critical to the employment relationship in conditions of diminishing job security and employment durability (Alvesson and Willmott, 2002: 624). Irrespective of this particular argument, once again we can see continuities between mainstream and post-structuralist arguments concerning the appropriateness and potential effectiveness of 'soft', 'high-road' models of HRM for the management of knowledge work and knowledge-intensive firms (Appelbaum *et al.*, 2001; Karreman and Alvesson, 2004; Legge, 2005a: 11–14).

This paper supports and extends recent sceptical accounts of HRM-led normative interventions and their effects. Our evidence challenges not only the general argument about the relations between HRM and the intent and outcome of normative structures but also the more contingent claims discussed above concerning a special and successful relation between knowledge-intensive work and normatively oriented 'high commitment' practices. A key goal is to develop a better understanding of the relation between normative practices and the materiality of other practices that can generate normative effects. While not seeking to deny or banish the normative or present events as solely driven by 'hard HRM', the paper unbundles 'best practices', the conditions that can undermine and sustain them, and the potential effects on the performance and attitudes of employees.

The case

'Avatar Ireland' (pseudonym) is the Irish subsidiary of 'Avatar Group', a publicly listed, multinational corporation. Avatar is a market leading provider of high-technology, knowledge-based, premium-price products and services. Avatar is one of the largest, most financially successful organisations in the world, consistently ranking highly within publications listing the world's largest, 'most innovative', 'best known brands' and 'great places to work'.

Data were gathered during a six-month mixed-methods ethnography undertaken from June to November 2007. Company documents were analysed. Twenty-five meetings were attended, including management meetings, team meetings, HR meetings and general communication sessions, totalling approximately 100 hours of meeting attendance. Seventy-five semi-structured interviews were conducted incorporating 11 directors, 22 managers, 39 employees and 3 advisers, totalling approximately 100 interview hours. Seventy per cent were male and 30 per cent were female; the overall gender divide was approximately 60 per cent male and 40 per cent female. The mixed-method ethnography has a strong tradition within sociology and labour process analysis and was favoured in earlier studies heralding the ability of normative structures to generate desired normative outcomes in high-technology firms (Kunda, 1992; Casey, 1995). Avatar's normative structures were extensively presented in documents and described in interviews. Prolonged participation in Avatar daily routines and conversations yielded data that ran counter to prescribed normative claims revealing how normative structures did not function in isolation. Two other structures emerged as being dominant drivers of normative outcomes, namely the financial and work structures.

An organisation's financial structure incorporates the practices pursued to achieve financial targets. Avatar Group (Group) can be understood as an archetype of a firm operating within the pressures of financialised capitalism. Group shares were listed on

two major stock exchanges of liberal market economies. During the period of the ethnography, Group and Avatar Ireland generated significant profits. Furthermore, it was a strong period for the Irish information, communications and technology sector with employment, sales turnover and customer numbers all growing (Central Statistics Office, 2008; 2009). However, Group had promised financial markets that they would increase shareholder returns. This created a need to free up cash and consequently operating costs were continuously targeted for reduction. Group used benchmarking consultants to assess and reduce subsidiary expenditure, and despite being in a strong profit position, the Irish subsidiary were required to achieve cost reduction targets. This resulted in job losses in Avatar Ireland through voluntary redundancies, outsourcing and work centralisation. Furthermore, there were numerous constraints built into HR practices to minimise costs; for example, base salaries were set at market median with 'high performers' receiving slightly more. An organisation's work structure incorporates the practices pursued to achieve performance targets. At the time of the ethnography Avatar Ireland employed approximately 850 full-time, permanent employees, most of whom held a third-level qualification and were engaged primarily in knowledge work. We are supportive of critiques of inflated claims about the extent and character of knowledge work and workers (Warhurst and Thompson, 2006; Baldry *et al.*, 2007). However, the shop-floor employees at Avatar fit comfortably within Warhurst and Thompson's criteria of body of theoretical (specialised and abstract) knowledge that is utilised, under conditions of relative work autonomy, to innovate products and processes. Of the 39 employees interviewed, 21 were what we term 'generative workers', meaning their work involved creating a new product or service. They contributed ideas, proposals, business cases, and project plans and worked on projects to create something new. Eighteen were operational workers, meaning their work involved implementing ongoing work processes and activities. They contributed to daily operations completing defined work processes and achieving performance standards, resolving the numerous complexities that arose.

A normative structure is made up of the managerially prescribed ideology and practices that seek to depict and bring about the desired social attributes of the organisation and employees. Group HR worked with leading consulting firms to design normative structures. The practices featured in 'best HR practice' publications produced by the CIPD. Group won external awards for their employee communications, which were described as 'stunning' and 'inspiring'. The Avatar Ireland HR department was larger than what was typical for an organisation of their size and sector, and their HR practices ranked in the top 5 per cent in the Irish 'Great Place to Work' competition.

The structural characteristics of Avatar Ireland make it a focal case to explore normative structures and outcomes in a 'new economy', 'knowledge-intensive' organisation.

Best practice normative structures

From the physical workplace to the HR practices, signifiers of normative expectations were plentiful in Avatar Ireland. The workplace, a bright atrium building described as a 'state of the art corporate village', was decorated with dramatic imagery and text depicting the Avatar 'employer brand'. Top management, HR and corporate documentation in Avatar Ireland expressed the strategic importance of having a normatively aligned workforce 'committed' to the organisation and happily 'engaged' in their work. The HR department was tasked with implementing the practices to achieve this, resulting in an 'employer brand', an 'employment deal' and a narrative for communications.

The Avatar employer brand, titled 'Brand Essence', claimed the culture was 'passionate', 'reliable', and 'innovative' and that employees should embody a series of related behavioural attributes including 'empathy, best in class, challenging, inspiring, creativity and optimism'. Brand Essence originated in Avatar Group marketing following an initiative that involved interviewing customers about the Avatar brand. Avatar Group HR decided that what customers described as being positive and unique about the brand could be harnessed internally to create a normative structure. The branding logic of attracting consumers through positive association was applied internally to extract

commitment from employees. Brand Essence had been in place for approximately one year prior to the ethnography. It was launched by the CEO, directors and HR team. All employees completed Brand Essence training and were provided with reading materials and DVDs outlining how they should behave in an 'on brand' manner.

The HR director described how Brand Essence was aimed at 'living the brand from the inside out', and it was portrayed in optimistic and unitary terms as the route to organisation and individual success. The overall theme of the 'Employment Deal' was that employees were in control of their destiny. In order to achieve internal fit between the HR practices, this deal was divided into six aspects of employment, which were further subdivided into specific HR practices. The HR practices promised to ensure that employees who delivered on their end of 'the deal' received reward and career development. However, structural constraints existed. Base salaries were set at market median, with 'high performers' receiving slightly more. Performance ratings and bonuses were loosely aligned to a standard distribution curve. Avatar operated a flat, broad band career structure, and roles often expanded without triggering promotion or pay rise. Internal fit was enhanced through consistent unitary and optimistic branding, and implementation of specific practices; for example, the performance ratings informed salary and bonus reviews; performance development plans were connected to the learning and development system, which was in turn linked to the competency system and the career structure (Figure 1).

The normative structures also provided top management with a unitary, optimistic narrative for communicating decisions to employees. The narrative signified that management decisions, even those that negatively affected employees, should be welcomed by all. The redundancy programme was about 'shaping our organization to meet our challenges and maximise our opportunities'. Outsourcing and centralisation were claimed to offer opportunities for career and skills development. Speaking specifically about Brand Essence and redundancies a director stated:

[HR] did an incredible job of this because it could have been a hell of a lot worse than it was but I think the actual process from beginning up to actually going through with it and migrating to the new structure was really, really good, really people-centric.

A senior HR manager described the unitary, optimistic narrative more bluntly stating:

We find it hard to say that things are not going as well as we thought they would . . . We try and put a gloss on it. We'd say 'Well actually this is good news that we're going to [for example] outsource the IT department'.

Rationalising the failure of best practice

The results from successive annual Avatar employee engagement surveys revealed that, for a number of years, the normative structures were not generating desired normative outcomes. Engagement was low even in the years prior to the introduction of 'harder' employee initiatives such as redundancies and outsourcing. The 2007 survey revealed that 34 per cent felt they had a future in Avatar and 46 per cent of employees rated Avatar favourably as a place to work. This was 12 per cent lower than the Irish average as measured by the consulting firm conducting the survey. Other survey results highlighted the dissatisfaction with the various elements of the employment deal; for example, 38 per cent of employees felt change was well managed, which was 34 per cent less than the Irish average, 25 per cent had a favourable perception of opportunities for promotion, 42 per cent had a favourable perception of opportunities for development other than promotion, and finally, 36 per cent felt their total reward package was fair compared with similar roles in other organisations.

The employee interviews uncovered a deep-rooted, almost universal rejection of the normative structures along with earnest denials of commitment to Avatar. In fact, all but one employee had a negative perception of the normative structures and associated HR practices. As HR had achieved 'best practice' design, directors and HR looked for an alternative explanation for the failure of HR practices to yield expected results, and that was poor implementation of these practices by line managers as one director stated:



The Deal: Together we are Avatar.
 We need you to deliver a [Brand Essence] experience at every interaction with your customers whether internal or external. To help both you and Avatar to do what we need to do we have created the Avatar People Strategy – TOGETHER WE ARE AVATAR. Together we are Avatar clearly states what the deal is...the deal we as Avatar make when we ask you to join the company and the deal that you make when you say yes!. It's the deal that ensures we are [Brand Essence] and it's not just a deal for recruiting, it's a deal that goes on for as long as we're both part of the relationship.

Desired normative outcome	Associated HR practices
My role and goals are clear and challenging. I know who my customers are; I know how I fit into my team and contribute to our business. I understand organisational changes as they happen, and I enjoy the way we do things	Online performance and competency management system linked to learning and development and annual bonus. Weekly team meetings. Weekly one-one with manager.
I'm attracted to Avatar as a great employer and my experience as I join and – as I move internally – assures me of a challenging career. I am supported when I change roles or leave the business.	Competency based / behavioural interviews and psychometric testing. Flat, broad band career hierarchy. Transfers and secondments.
I can talk positively and confidently about our business, it's easy to find out what I need to know to perform at my best, and my ideas and thoughts are listened to and acted	Monthly, quarterly and annual employee communications, Team building days, Intranet, Avatar Magazines, CEO Emails, Leaflet desktops, promotions, Recognition events.
I get regular feedback on how I am doing, and I am encouraged to develop my skills and behaviors to continually improve my performance, and realize my potential.	Quarterly, performance and competency reviews. 270 online 'e-learning' courses, Avatar library, classroom learning, educational assistance, training funds.
I know my contribution is valued because I can see how my performance drives the reward and recognition I receive.	Total reward framework: base salary, annual bonus, benefits, recognition awards, total reward statements.
I work in a stimulating and safe environment, knowing the organisation cares about my well-being and supports me in developing a healthy lifestyle.	Employee assistance program me, online wellness checkpoint, wellness fairs, visits from health professionals. Employss survey. On-site gym.

Figure 1: Imagery, deal and desired normative outcome sourced directly from Avatar HR documentation, associated HR practices summarised by authors

I think we are, to be blunt, a company that has fantastic [HR] policies, fantastic. We know we do everything by the textbook to a large extent. There is a question mark about why that doesn't come through to [employee engagement], it has to be down to management and leadership because it can't be down to anything else.

Another senior HR manager described the term they used to signify the perception that line managers were not effectively passing down the message to employees:

The reason we have the size of HR team we have is precisely to work with the line managers so they are able to have the employee experiences as we want to have it, i.e. the deal that's coming through in the people strategy . . . However we recognise, what we call, this famous layer of 'permafrost' . . . at manager level.

Directors and HR claimed that although line managers were implementing the HR practices, the specific problem was they were not effective at convincing employees of how good it was to work in Avatar. The message apparently got 'stuck' at the management level despite directors' and HR's best efforts. This meant discussions on 'low engagement' focused on what directors and HR wanted the employment experience to be like without querying material practices and outcomes. HR and directors typically expressed irritation when specific practices were questioned. For example, when talking about poor perception of salary levels a director claimed, 'You can set whatever salary, you can increase everybody's salary well above the market range but it's about how you do it. It's about how you deliver the message'.

The CEO and directors held a 'people manager' away day in a hotel to 'help' managers improve 'employee engagement'. The CEO and directors made presentations about the importance of normative alignment, high engagement and the employment deal. These presentations were accompanied by games or entertainment; for example, hired actors acted out a 'good' and 'bad' performance review. The only employee grievance raised by a director was the negative reaction to a canteen cost-cutting initiative, which meant certain options were taken off the breakfast menu. Referred to as 'Sausagegate', the only employee grievance raised was rendered humorous. Other issues, such as job and financial security, were not addressed. The day ended with attendees singing an 'Avatar song' made up by hired musicians.

Managers often refuted the existence of a permafrost, stating they embraced the narrative and as such were aware of the employee backlash. In particular, line managers frequently spoke about how material gains were of primary importance to employees. A mid-level engineering line manager stated:

[HR] have given employees a few things over the years like a couple extra days holidays and they re-benchmarked the salaries and healthcare. Which have been very welcomed and have been looked at very positively. It's more initiatives like that, that get appreciated, more than these throw away slogans which you're supposed to live your work life by. At the end of the day it's what kind of tangible benefits people can actually get that they appreciate more than these almost marketing approaches to HR.

Managers were caught between a soft rhetoric and a harder reality, tasked with managing expectations and resolving ongoing employee grievances but dissuaded from discussing employee dissatisfaction with top management and HR.

Insecurity, anger and high performance

Instead of feeling in control of their destiny, employees in interviews claimed their employment was defined by financial, career and job insecurity. They attributed this insecurity to the financial structures, often remarking that management decision-making was oriented towards the interests of shareholders, to the detriment of employees. Employees did not ideologically object to the pursuit of profit, nor did they harbour nostalgic yearnings for a 'job for life' or automatic career and financial progression. Employees did, however, express dissatisfaction with the depth of insecurity. The optimistic narrative expressed through Brand Essence and the Employment Deal transformed this concern into anger and vitriol. The narrative was deemed to be so

incongruous with the financial structures it was interpreted as an affront to employees' ability to discern the material conditions of their employment. One engineer stated:

For professionals like me or relatively intelligent people it really is insulting . . . [. . .] . . . massively negative, it's like 'where's my school uniform?' when I'm getting up in the morning. I'm a professional, I've been to college and I've qualified and there's people even more qualified than me and they're suffering this.

The least negative employee interpretation of the normative structures was that they were an attempt, albeit a failed one, to motivate performance. As one accountant stated:

The purpose of it from high above would be, I suppose, to try and get their staff to be more motivated and efficient, but I think what it does in Ireland is just it's annoying. I wouldn't say a single person is a percent more efficient.

Most employees saw the normative structures as a damaging vanity project that painted an excessively flattering picture of the organisation, enabling top management to avoid employees. As one sales employee stated:

[Avatar] want you to understand what you're trying to achieve and what they're trying to achieve and how you fit in to that big plan. But drawing it up and saying this is what we do really well is bullshit . . . [. . .] . . . I don't need some nice fancy thing that we're after spending a small fortune on so HR can feel good about themselves and say 'Yes, we're ticking this [best practice] box'.

In terms of financial insecurity, employees expressed considerable dissatisfaction with the median salary levels that were established by senior managers and HR without negotiation. One employee expressed a common sentiment stating, 'If you tried for [an increase] here you'd be shot. There'd be a commando squad at the front door leading you out'. Given the organisation was so financially successful, employees felt underpaid and undervalued; another employee stated, 'Avatar sometimes forget there's a very buoyant jobs market out there'. There was a pervading sense among employees that they were bearing the brunt of Avatar's obligations to financial markets and that management insistence that the organisation needed to reduce costs was exaggerated. One engineer from customer service stated:

I find it absolutely silly to stand up in front of . . . [. . .] . . . any employee in Avatar and say 'Avatar isn't doing well financially'. How could you say that? . . . [. . .] . . . To stand up in front of someone that's relying on their bonus and to tell them 'You worked your heart out but because Avatar isn't doing particularly well, we're only paying you this'. Avatar's making money hand over fist.

The narrative accompanying reward practices exacerbated the dissatisfaction; for example, employees continuously interpreted the 'total reward' approach as an attempt to deflect employee attention from median salary and bonus levels. As one engineer stated:

Talk about not keeping it real, it's insulting the intelligence of people with better things to be doing. Imagine me literally going home and telling my wife 'I can't get a [salary increase], but if any of your mates need an [Avatar product]!' I mean for Christ's sake, just keep it real. Mind-bending stuff.

Most employees described how their line managers adhered to the management narrative but faced a backlash from employees. An employee from customer service stated:

The manager would put a positive spin on it. They're not going to say 'well I agree with you' and fuel your fire. I suppose that comes down to managing the situation . . . your manager says 'Well you have your total package'. It almost tricks you for a moment. But actually, No! That's not good enough.

Concerns about salary contributed to dissatisfaction with the flat career structure. Employees were often expected to continuously accept additional responsibilities without additional remuneration on the basis that it would enhance their 'employability'. As one employee stated, 'One way [work] is being sold is it will get you a lot more exposure to the business and different people in the business . . . if they give it to you, it's well recognised that's the main incentive'. Employees largely rejected the employability argument with many expressing the sentiment offered by one employee: 'All you want to see is more [cash] going to the bank'.

Employees expressed considerable unease about job security, with one individual stating, 'As an employee [keeping your job] is your first concern'. The ongoing changes

meant employees felt anything could happen at a moment's notice. This insecurity was considered to be wholly incongruent with the narrative; an engineer described how:

It's very hard to swallow, extremely hard, they're telling you one day how important you are to them and the next day they're making more redundant . . . [. . .] . . . It's just hypocrisy after hypocrisy; they don't eat their own dog food basically.

Employees continuously claimed top management hid behind the unitary message, as described by another employee from marketing:

There wasn't any acknowledgement from the directors that there was a poor working atmosphere in many departments. We were seeing people leaving and not being replaced, people over-burdened and everything else. Then you get a couple of directors coming in and saying 'Everything's brilliant and everything's going to plan'.

The abhorrence towards the narrative resulted in poor attendance at many communication events; another engineer explained this: 'Sesame Street is what it's like at these events, they treat you like kids and they expect you to react like children as well. No more will I ever go to any of those'. Another employee from marketing described how they wanted to walk out of a communication session when the HR director claimed the restructuring and job losses were good for the organisation. The employee stated they wanted to shout out:

You're so out of touch, so out of touch! You're meant to be in charge of the human beings in this company. You're actually meant to be in charge of the people, not the profit or the margin or whatever else, you're actually meant to be in charge of the actual human beings and you're so out of touch.

Employees continually called for more honesty in the depiction of the employment deal; as one employee from the project management team stated, 'Just talk to us like the professionals that we are and say you've got to make money'.

Despite these issues, Avatar Ireland was a 'successful' organisation who had achieved and often surpassed performance targets consistently for several years. Low commitment to the firm was synonymous with high performance. Directors were concerned about engagement, not because of productivity concerns but because Group HR had targeted subsidiaries with achieving certain 'engagement' results.

Work structures driving high performance

The employee survey revealed that 85 per cent had a favourable view of the statement 'I know the results expected of me in my job'. Employees claimed they were committed to their work, and most pointed out this was not an expression of commitment to Avatar; as a software tester stated:

We overshot our targets by a huge amount last year, we did extremely well on our small team we worked harder probably than we've ever worked, even though at a personal level, my morale was very low and I know that my colleague's morale was terribly low. But we had to keep going, we had our Key Performance Indicators, . . . We work hard despite rather than because of the way we're treated by the company.

Employees instead demonstrated a commitment to their professional knowledge and skills; a common sentiment was summarised by an engineer:

I'm very dedicated not because of Avatar but because I love what I do. I don't know how to not do a good job . . . [. . .] . . . This place takes me away from my children for the majority of the day, week. So at the very least I'm going to feel good about what I do. That's my attitude, that's purely personal.

The two positives employees continuously identified were 'work-step autonomy' and 'work quality'. Work-step autonomy can be understood as the autonomy afforded to an employee to identify the optimum steps required to achieve a managerially defined goal. This represented the only element of working life they felt they had ownership of. Completing work provided a sense of self-worth not available via the other structures. Another employee from customer service stated:

I just like the fact that you have an impact on things, that you're able to make a difference . . . it's nice to sit back and say 'Well that's working because I made that change'.

In terms of work quality, employees appreciated the opportunities to work with leading technologies and produce 'good' work. As one employee stated, 'If you're looking to work with the latest and best [Technology] come to Avatar'. Another engineer offered a common sentiment:

The job, the experience, it's not something that's taught at college, or anything like the way engineering's taught. [Using] the systems and all the experience that you get, it's valuable really . . . What motivates me is enjoying what I'm doing.

However, employees regularly separated their appreciation of their work from their view of Avatar. Typical sentiments were offered by an employee who stated, 'I really like the work . . . [but] . . . I can't stop thinking about how negative I feel about certain things in work . . . I am looking for a new job in January that's how bad this company is'. It appeared that work represented the only aspect of their employment employees felt positive ownership of. As one employee from sales stated:

My morale is extremely low but having said that I think I'm the kind of person that I work hard and I will continue to do that regardless . . . You're under so much panic and stress the only thing really keeping you going is actually coming in and working. It's like 'OK it's total shit in here, the best thing to do is to sit down and work. It'll just take my mind off it, to everything else that's going on'.

The financial and normative structures made employees feel insecure and angry, and work emerged as the primary activity from which a meaningful sense of agency could be derived.

The Avatar case demonstrates how employees can be insecure, angry and high performing all at once.

Discussion and conclusions

Avatar believed that in its search for committed, high-performing employees it was doing everything by 'the textbook'. They had the brand, vision and extensive communication mechanisms; the bundles of interrelated, best practices; and an HR department at the core of strategy and operations. Yet the outcome was scepticism and often barely disguised contempt from the kind of employees we are told are particularly open to the charms of soft, culture-led practices. Even under 'textbook' circumstances, these knowledge workers' commitment to and engagement with the company was low and there was no evidence that HR was successful in persuading employees to identify with or 'live' the brand.

Of course HRM adherents could argue that such outcomes are the result of strategic inconsistencies or poor internal fit between practices. Similarly, post-structuralists could point to a number of reasons why cultural discourses as a regulator of identity may diminish or be defective (Alvesson and Willmott, 2002). There would be some truth in both these observations. But, too often in mainstream and post-structuralist literatures, normative structures are explored in relative isolation as a sole source of influence. 'Best practice' HR models have, therefore, become increasingly open to critique, in part because they neglect contextual constraints (Kaufman, 2010). But it is also naive to think that an *a priori* 'best fit' between capital-intensive manufacturing (or similar sectors) and the management of knowledge workers can somehow transcend those constraints.

What this case also shows is that normative effects are produced not only by interventions consciously directed at attitudes and behaviours but also by material practices at the heart of the effort bargain (Thompson and van den Broek, 2010). The financial constraints placed by corporate management on rewards and roles made it unlikely that they could generate mutual gains and associated norms. Although finding some positive effects from culture management on similar high-tech workers, Grugulis *et al.* (2000) rightly noted that 'structural factors were at least as important as cultural ones' (99) and that changed conditions would be likely to undermine commitment.

The evidence is that, like a growing number of large companies, Avatar operated in a highly financialised environment that had persistently negative consequences for

local managerial actions concerning the employment relations system. The normative structures were so persistently claimed to be 'best practice' and so consistently implemented that at every turn employees were prompted to question the gap between the narrative and their material reality. In fact, the strength of the internal fit meant that dissatisfaction with one practice spilled over into another. The case therefore supports existing sceptical accounts of growing disconnections and tensions between capital markets, companies, and positive work and employment outcomes and attachments (Thompson, 2003; Jenkins and Delbridge, 2007; Batt and Appelbaum, 2010; McCann, 2010). To this extent the recurrent tension between 'employees as our greatest asset' and the need to dispose of labour occasionally in the name of competitiveness is being ratcheted up.

However, that is not to say that labour force characteristics are irrelevant. One of the most interesting findings of the ethnography is that low organisation commitment can coexist with potentially high work performance. We have no hard data on performance; however, no manager, senior or otherwise, claimed that underperformance was of any concern; it was engagement they were trying to fix. Avatar Ireland had consistently achieved and even surpassed performance targets in recent years, and some employees quoted here frequently received the highest performance ratings. We have detailed accounts by employees of their orientations at work that indicate that anger at the company did not produce (at least overt) resistance or prevent positive attitudes to work performance. The simplest explanation would be compliance and, indeed, there is some evidence for this. There was a range of targets, key performance indicators and other controls in the context of internal restructuring and insecurity.

Employees also had a realistic appreciation of theirs and the company's power resources. To that extent, market discipline (McGovern *et al.*, 2007) arising from insecurity at work is part of the explanation. However, positive orientations towards work appeared to be linked to the nature of expert labour, with a form of compensation taking place. Employees' commitment to completing their work and meeting targets demonstrated how successful performance is not dependent on wider organisational commitment. Indeed, employees frequently contrasted what they felt about their work with their negative attitudes towards the company. This returns us to the issue of multiple commitments discussed earlier. Avatar employees identified with 'professional' or occupational norms, underpinned by substantive work autonomy and satisfactions. It reinforces the earlier observation that employment and work experiences can act as different sources of commitment (Boxall and Macky, 2009), and it is consistent with Benson and Brown's (2007) findings that knowledge worker commitments derive largely from their experience of work relations.

It is also useful to reflect on the other significant puzzle arising from the case—how HR as an actor made, or more accurately did not make, sense of the tensions. Nothing in principle prevents a realistic assessment of the rhetoric–reality gap, as revealed in a recent study's quote:

There are times the employer knows that the right thing to do for people at work is, but owing to pressures of business, strategic priorities, financial priorities, the employer simply cannot do the right thing and you have to explain why (HR manager quoted in Dietz *et al.*, 2011).

Yet there was no sign of any recognition of the misalignment of normative rhetoric. Instead, HR blamed lack of commitment and engagement on a combination of employees' flawed sense of entitlement and poor implementation by line managers.

HR's capacity to develop a more realistic appraisal was hampered by their own structural isolation, a trend confirmed in wider literature noting that HR personnel are 'gradually disappearing from the shopfloor' (Francis and Keegan, 2006: 244). At Avatar, HR's gaze was firmly upwards, which is understandable considering their survival was dependent on corporate managements' belief in HR's ability to generate desired normative outcomes. Consequently HR looked beyond themselves and corporate management to explain low engagement. Given the cascade notion of HR policy, it was up to line managers to make employees believe in the employment deal. Managers understood that this was difficult if not impossible. If HR looked down it was more as an

internal marketer selling the brand than as an effective regulator of the employment relationship. Although regarded as something of a vanity project by some employees, this partially neglects a wider corporate function of normative interventions. Despite the lack of success, HR activities appeared to be a source of significant convenience to the directors as it meant employee commitment (or lack thereof) could be presented as the responsibility of the normative design specialists, namely HR or the implementers, line managers. Regarding discursive resources, we should also not underestimate the functional role played by Brand Essence and 'best practice' HR in contributing to credibility in financial markets through creating the impression, via annual reports, that the organisation was globally normatively aligned.

There has been a tradition in studies of work and organisation of 'exemplary cases' of culture-led, high-tech companies, for example Kunda (1992) and Casey (1995). While it is eminently possible to argue that the scale and scope of such practices, or their consequences for 'captured' employee subjectivity, were always inflated, this paper—occupying a similar empirical territory—nevertheless offers something of a corrective. It is not a simple refutation, in part because times and conditions change. As various studies discussed earlier noted, we are in a period in the development of a more financialised capitalism and disposable corporations that is far less conducive to the 'cultural turn' and 'soft' HRM. It would be naïve to believe that the 'right thing' the Avatar Corporation considered itself to be doing is typical of the myriad of HR practices in smaller and medium-sized companies, or those operating in purely national markets. But if normative interventions do not work under these 'textbook' conditions, it is not a harbinger of good times ahead for HR.

References

- Ainsworth, S. and C. Hardy (2004), 'Discourse and Identities', in D. Grant, C. Hardy, C. Oswick and L. Putnam (eds), *The Sage Handbook of Organizational Discourse* (London: Sage), pp. 153–174.
- Alvesson, M. (2001), 'Knowledge Work: Ambiguity, Image and Identity', *Human Relations* **54**, 7, 863–886.
- Alvesson, M. and H. Willmott (2002), 'Identity Regulation as Organizational Control: Producing the Appropriate Individual', *Journal of Management Studies* **39**, 5, 619–644.
- Appelbaum, E., T. Bailey, P. Berg and A.L. Kalleberg (2001), *Manufacturing Advantage: Why High Performance Work Systems Pay Off* (New York: Cornell University Press).
- Baldry, C., P. Bain, P. Taylor, J. Hyman, D. Scholarios, A. Marks, A. Watson, K. Gilbert, G. Gall and D. Bunzel (2007), *The Meaning of Work in the New Economy* (New York: Palgrave Macmillan).
- Batt, R. and E. Appelbaum (2010), 'Globalization, New Financial Actors, and Institutional Change: Reflections on the Legacy of Lest', Paper to Colloquium, Université de Provence, 27–28 May.
- Benson, J. and M. Brown (2007), 'Knowledge Workers: What Keeps Them Committed; What Turns Them Away', *Work, Employment and Society* **21**, 1, 121–141.
- Boxall, P. and K. Macky (2009), 'Research and Strategy on High-Performance Work Systems: Progressing the High Involvement Stream', *Human Resource Management Journal* **19**, 1, 3–23.
- Boxall, P. and J. Purcell (2003), *Strategy and Human Resource Management* (New York and Basingstoke: Palgrave).
- Casey, C. (1995), *Work, Self and Society: After Industrialism* (London: Routledge).
- Central Statistics Office (2008), *Information Society and Telecommunications* (Dublin: Stationery Office).
- Central Statistics Office (2009), *Statistical Yearbook of Ireland* (Dublin: Stationery Office).
- Courpasson, D. (2000), 'Managerial Strategies of Domination: Power in Soft Bureaucracies', *Organization Studies* **21**, 1, 141–161.
- Cushen, J. (2009), 'Branding Employees', *Qualitative Research in Accounting and Management* **1**, 6, 102–114.
- Dietz, G., A. Martins and R. Searle (2011), 'Trust, HRM and the Employment Relationship', in A. Wilkinson (ed.), *Contemporary Issues in HRM* (Basingstoke: Palgrave), pp. 141–163.
- Du Gay, P. (1996), *Consumption and Identity at Work* (London: Sage).
- Francis, H. and A. Keegan (2006), 'The Changing Face of HRM: In Search of Balance', *Human Resource Management Journal* **16**, 3, 231–249.
- Fleming, P. and A. Spicer (2003), 'Working at a Cynical Distance: Implications for the Power, Subjectivity and Resistance', *Organization* **10**: 157–179.
- Fleming, P. and A.J. Sturdy (2011), 'Being Yourself in the Electronic Sweatshop: New Forms of Normative Control', *Human Relations* **64**: 177–200.

- Grugulis, I., T. Dundon and A. Wilkinson (2000), 'Cultural Control and the "CultureManager": Employment Practices in a Consultancy', *Work, Employment and Society* **14**, 1, 97–116.
- Guest, D. (2011), 'Human Resource Management and Performance: Still Searching for Some Answers', *Human Resource Management Journal* **17**, 1, 3–13.
- Jenkins, S. and R. Delbridge (2007), 'Disconnected Workplaces: Interests and Identities in the "High Performance" Factory', in S. Bolton and M. Houlihan (eds), *Searching for the 'H' in HRM* (Basingstoke: Palgrave Macmillan), pp. 195–218.
- Karreman, D. and M. Alvesson (2004), 'Cages in Tandem: Management Control, Social Identity, and Identification in a Knowledge-Intensive Firm', *Organization* **11**, 1, 149–175.
- Kaufman, B. (2010), 'SHRM Theory in the Post-Huselid Era: Why It Is Fundamentally Mis-Specified', *Industrial Relations* **49**, 2, 286–313.
- Keenoy, T. (2009), 'Human Resource Management', in M. Alvesson, T. Bridgman and H. Willmott (eds), *The Oxford Handbook of Critical Management Studies* (Oxford: Oxford University Press), pp. 454–472.
- Kinnie, N. and J. Swart (2011), 'Committed to Whom? Professional Knowledge Worker Commitment in Cross-Boundary Organisations', *Human Resource Management Journal* **22**, 1, 21–38.
- Kunda, G. (1992), *Engineering Culture: Control and Commitment in a High-Tech Corporation* (Philadelphia, PA: Temple University Press).
- Kunda, G. and G. Ailon-Souday (2005), 'Managers, Markets and Ideologies: Design and Devotion Revisited', in S. Ackroyd, R. Batt, P. Thompson and P. Tolbert (eds), *Oxford Handbook of Work and Organization* (Oxford: Oxford University Press), pp. 200–219.
- Legge, K. (2005a), *Human Resource Management: Rhetorics and Realities* (Basingstoke: Palgrave Macmillan).
- Legge, K. (2005b), 'Human Resource Management', in S. Ackroyd, R. Batt, P. Thompson and P. Tolbert (eds), *Oxford Handbook of Work and Organization* (Oxford: Oxford University Press), pp. 220–241.
- Leidner, R. (2006), 'Identity and Work', in M. Korczynski, R. Hodson and P. Edwards (eds), *Social Theory at Work* (Oxford: Oxford University Press), pp. 424–463.
- Martin, G., P. Beaumont, R. Doig and J. Pate (2005), 'Branding: A New Performance Discourse for HR', *European Journal of Management* **23**, 1, 76–88.
- Martin, G., P. Gollan and K. Grigg (2011), 'Is There a Bigger and Better Future for Employer Branding? Facing up to Innovation, Corporate Reputations and Wicked Problems in SHRM', *International Journal of Human Resource Management* **22**(17), 3618–3637.
- McCabe, D. (2011), 'Accounting for Consent: Exploring the Reproduction of the Labour Process', *Sociology* **45**(3): 430–446.
- McCann, L. (2010), 'A Crisis of Attachment: Employee Disconnection and Cynicism after Offshoring', Paper at Workshop on Outsourcing and Offshoring of Service Work, LSE, November.
- McGovern, P., S. Hill, C. Mills and M. White (2007), *Market, Class and Employment* (Oxford: Oxford University Press).
- McKinlay, A. (2005), 'Knowledge Management', in S. Ackroyd, R. Batt, P. Thompson and P. Tolbert (eds), *Oxford Handbook of Work and Organization* (Oxford: Oxford University Press), pp. 242–262.
- Meyer, J.P. and L. Herscovitch (2001), 'Commitment in the Workplace: Toward a General Model', *Human Resource Management Review* **11**, 3, 229–326.
- Newton, T. (1998), 'Theorising Subjectivity in Organisations; the Failure of Foucauldian Studies?' *Organization Studies* **19**, 3, 415–457.
- Pfeffer, J. (1994), 'Competitive Advantage through People', *California Management Review* **36**, 2, 9–28.
- Reichers, A. (1985), 'A Review and Reconceptualisation of Organizational Commitment', *Academy of Management Review* **10**, 3, 465–473.
- Thompson, P. (2003), 'Disconnected Capitalism: Or Why Employers Can't Keep Their Side of the Bargain', *Work Employment and Society* **17**, 2, 359–378.
- Thompson, P. and S. Ackroyd (1995), 'All Quiet on the Workplace Front—A Critique of Recent Trends in British Industrial Sociology', *Sociology* **29**, 4, 615–633.
- Thompson, P. and D. van den Broek (2010), 'Managerial Control and Workplace Regimes: An Introduction', *Work Employment and Society* E-Special **1**, 1–12.
- Townley, B. (1993), 'Foucault, Power Knowledge, and Its Relevance for Human-Resource Management', *Academy of Management Review* **18**, 3, 518–545.
- Warhurst, C. and P. Thompson (2006), 'Mapping Knowledge in Work: Proxies or Practices?' *Work Employment and Society* **20**, 4, 787–800.
- Wood, S. and V.T. Albanese (1995), 'Can We Speak of a High Commitment Management on the Shop-Floor?' *Journal of Management Studies* **32**, 2, 215–247.