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**THE IDENTIFICATION OF  
ORGANISATIONAL SUBCULTURES  
IN AN  
INTERNATIONAL ENERGY COMPANY**

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A 219.899 thesis presented in partial  
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## **Abstract**

For more than half a century it has been hypothesised that organisational culture is a single, homogeneous and consistent phenomenon, which provides an overarching set of meanings shared by all organisational members. Increasingly, however, the efficacy of this approach has been tested as a small number of scholars have put forward an alternative hypothesis – that, like the societies they are part of, organisations are more likely characterised by pluralism, heterogeneity and ambiguity. The possibility of subcultures as the dominant expression of organisational culture has gained support as a means to understand and explain the cultural milieu of the highly complex organisations of the 21st century.

This research, an embedded single case study, examines the procurement directorate (PD) of a large, multinational energy company, to identify whether subcultures exist in this context, and if so, whether they can be defined using current theoretical concepts. Content analysis of the data shows that a number of unique subcultural groups do exist, which are delineated by a variety of unifying characteristics and physical manifestations of the group's culture.

These distinct subcultures emerge as being influential in a variety of different ways: at the operating unit level through sustaining harmonious relationships with one another and supporting the day-to-day work of the directorate; and at the organisational level through fostering positive relationships between group members and ZAOC Norge and the overt support of important organisational meanings. The findings from this study suggest that subcultures are central to the cultural environment of the PD and

moreover contribute to the maintenance of the strong overarching organisational culture that exists at ZAOC Norge. However, with the lack of generalisability from a single case study, more research is required in both other procurement directorates and also alternative directorates of the petroleum industry. Further research would help to address the paucity of studies that exist within the industry and the lack of subcultural knowledge in this context.

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## **Glossary of terms**

BP - British Petroleum

CEO – Chief operating officer

HSE - Health, safety and environment

MUHEC - Massey University Human Ethics Committee

NATO - North Atlantic Treaty Organisation

NOK - Norwegian Kroner

NPD - Norwegian Petroleum Directorate

NS - North Sea

OCI - Organisational culture index

OCP - Organisational culture profile

PSAN - Petroleum Safety Authority Norway

PD - Procurement Directorate

UK - United Kingdom

ZAOC - ZA Oil Company (pseudonym for organisation)

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## **Chapter 1: Introduction**

Understanding and explaining organisations - defined as “a collection of people working together to achieve a common purpose” (Campling, Poole, Wiesner, & Schernerhorn, 2006) - is increasingly challenging as rapid change and uncertainty intensify in the new millennium. Economic change, including the rise of multinational business and globalisation; social change, including better educated populations, increased urbanisation and cultural diversification of the workforce; and technological change, including the widespread adoption of the internet, have impacted on organisations in dynamic and complex ways. Organisations have had to respond, sometimes dramatically, in order to meet the challenges of these and other environmental changes.

Change has likewise been necessary in the way scholars and practitioners conceive of organisations. Traditional management theories informed by the scientific, general administrative, bureaucratic and human relations schools have “proved incapable of providing deep, rich and realistic understandings” (Alvesson, 2005, p. 7) needed to explicate the meanings, actions and interactions that occur within organisations. The “practical developments in the real world challenge...traditional theories” (Cheney, Christensen, Zorn, & Ganesh, 2004, p. 14) and confront management theorists’ conceptualisations of the activity and relationships that occur within contemporary organisations. As a result, more complex ways of thinking about organisations are evolving.

### **1.1 Why organisational culture?**

One enduring conceptualisation in management theory is that of organisation as culture. The concept first entered management scholars’ consciousness in the 1920s

(Gregory, 1983), but competing paradigms and divergent approaches have emerged, including that of the existence of subcultures. Organisational culture theory has its roots in anthropology (meanings, symbols and myths), sociology (social relationships and structures), biology (physical responses) and psychology (individual responses), and offers management scholars a wide lens through which to interpret the activities that occur within organisations.

The research reported in this study utilises models drawn from organisational culture theory to explain and enrich understanding of the cultural milieu within a specific context – the procurement directorate (PD) of a large, complex, global oil company. While conceptualisations of culture are described in Chapter 2, the remainder of this chapter familiarises the reader with the purpose, rationale and scope of the research and introduces the subject organisation. This research project questions the dominant view that argues a single, homogeneous and unified organisational culture exists and provides a set of overarching meanings that convey similar understandings to all organisational members (Deal & Kennedy, 1982; Peters & Waterman, 1982; Schein, 1990, 1991, 1996, 2000, 2004, 2009). Rather, this study proposes an alternative theoretical possibility; organisations may be plural, heterogeneous and ambiguous, and represent divergent perceptions and multiple meanings for their members. This paradigm is drawn from the symbolist conceptualisation of organisational culture (discussed in Chapter 2) and informs the framework for this study.

## **1.2 Purpose**

The purpose of this study is to identify and describe organisational subcultures that may be revealed within the PD of the subject organisation. ZAOC Norge (the

pseudonym adopted to protect the identity of the subject organisation). ZAOC Norge, and its parent company, ZAOC Inc, embraced the dominant functionalist perspective of organisational culture as strong and unified and at the core of successful organisations (S. N., personal communication, April 2009). For example, in the late 1980s prominent management theorists Kotter and Hesketh were invited to work with senior management to create a homogenous organisational culture in order to enhance performance (S. N., personal communication, April 2009). The company thrived during the 1990s and it may be the culture management strategies which it adopted contributed to their success.

ZAOC Norge remains committed to the functionalist or strong, single overarching organisational culture paradigm. However, the enduring effects of the 2008 economic crisis, increasing globalisation and a fiercely competitive market have raised questions about the role of organisational culture in these volatile and unpredictable times (S. N., personal communication, April 2009). An appraisal of the wider historical context has also raised questions; some of the organisations identified by leading authors such as Peters and Waterman (1982) and Deal and Kennedy (1982) as exemplars of the strong overarching culture paradigm have faltered, while others identified as weak cultures have thrived (Alvesson, 2005; Martin, 2002). Moreover, the ongoing success of some of the organisations with weak cultures has given rise to the consideration of other possibilities.

This research investigates the possibility that multiple cultures or subcultures, may be a feature in this context and that groups which represent different interests may reside within a single, overarching culture. The research explores the possibility that subcultures may play an important role in the day-to-day enactments of organisational life. As organisational scholars and practitioners struggle to understand the cultural



milieu that is evolving in the dynamic environment of the 21<sup>st</sup> century, thinking has focused on the works of symbolist scholars such as Gregory (1983), Martin and Siehl (1983), Sackmann (1992) and van Maanen and Barley (1984), authors who theorise multiple, heterogeneous groups – or subcultures – provide an alternative expression of culture within organisations. It is against this backdrop of theoretical debate that the research project was conceived.

### **1.2.1 Research questions.**

Three research questions guide this study and act as a catalyst for a clearer understanding of the cultural milieu in this context. The questions ask:

#### **1. Do clearly identifiable subcultures exist within the PD of this organisation?**

This question is designed to reveal the existence of subcultural groups within the PD of ZAOC Norge. It addresses central issues such as how the groups may have formed, how they are maintained and communicated, and whether there are delineated membership boundaries.

#### **2. If so, what are the differences between the subcultural groups?**

Are there distinguishing characteristics and manifestations of each group that are sufficiently robust for them to be labelled a unique subculture? Detailed characterisation of each of the groups will reveal similarities and differences between them, and provide the basis for understanding and explaining their continued existence.

### 3. Finally, what is the influence of these subcultural groups?

This question investigates how the identifiable groups affect the day-to-day operations of the PD and the wider organisation. Identifying the influence of the subcultures that exist within the PD is intended to provide a deeper understanding of their potential influence in the overall functioning of the directorate.

#### **1.2.2 Analysis.**

This study makes use of qualitative methods to explore the organisational culture of the PD at ZAOC Norge, using a single embedded case study. To address the research questions and reveal relevant data to explain and understand the complexity of the phenomenon under investigation, multiple methods of data collection were incorporated into the research design. Data collection methods included semi-structured interviews, observation and material manifestations. The data was analysed using content analysis methods. From the results of this analysis it was possible to identify and describe the distinguishable subcultures, and then ascertain the degree to which each influences the directorate and wider organisational milieu.

### **1.3 Scope**

There are many studies that purport to measure an organisation's culture and offer recommendations to change cultural characteristics perceived to be inconsistent with meeting organisational objectives. Organisational culture in these studies is conceived of as a managerial variable that can be manipulated in order to strengthen desirable cultural elements, or alternatively, weaken or eliminate undesirable cultural elements. This approach is consistent with the dominant, functionalist view popularised

in the 1980s (Deal & Kennedy, 1982; Peters & Waterman, 1982; Schein, 1990, 1996, 2000) and still espoused by ZAOC Inc. A small number of studies, however, take an alternative view - that culture is not a management tool to be manipulated for organisational means - it is a phenomena that exists among the relationships and meanings of organisational members who play a role in developing, maintaining and communicating this culture (Alvesson, 2005; Martin, 2002; van Maanen & Barley, 1985). From this perspective, culture resides in the organisation's members and the groups to which they belong, and is manifest in behaviours and relationships which communicate and perpetuate it. Organisational culture from this perspective is best described and understood through observation of, and inquiry into, organisational member's experiences and perceptions. Thus, this study hopes to address in some small way what Morgan & Ogbonna (2008, p. 48) consider to be "a paucity of data-driven research into organisational subcultures" from this alternative perspective.

#### **1.4 Rationale**

Whether conscious of it or not, few human activities are untouched by the products or by-products of the oil industry; 21<sup>st</sup> century man is "hydrocarbon man" [sic] (Yergin, 2008, p. xvi). The products and the companies that exploit hydrocarbons are central to everyday life. The energy sector dominates the economy of Norway and much of the economic success of the nation can be attributed to continued careful exploitation of the oil reserves within the North Sea (NS) Continental Shelf area. Stavanger is at the heart of this industry in Norway, and the current home of the researcher. As a resident here for eight of the last 15 years, and as a student of organisational culture, it is impossible not to be influenced by the presence of the petroleum industry in Stavanger,

and the unique research possibilities that this environment presents. It is fortunate that access was made available to undertake this research at ZAOC Norge, a large and successful oil company operating in the NS.

Moreover, there appear to be few published works on the cultures of energy companies, perhaps understandable given the commercial sensitivity of the industry. Those studies that do exist are context-specific; for example, Carlisle and Baden-Fuller's (2004) analysis of organisational culture and strategic change, and studies by Høivik, Moen, Mearns and Haukelid (2009), Høivik, Brandsel and Moen (2008) and Mearns, Flin and O'Connor (2001) that investigate the link between organisation culture, and health, safety and environment (HSE) strategies.

The importance of understanding and explaining culture in this industry is likely to come under increasing scrutiny following the 2010 British Petroleum (BP) accident in the Gulf of Mexico. Evidence of a culture that disregarded HSE, and was so bureaucratised that routine decision-making was referred upward for approval are implicated as possible contributors to the incident. Consequences have included environmental damage, damage to BP's reputation, and the removal of its Chief Operating Officer (CEO), Tony Hayward. Of more concern to the wider oil community however, are potential consequences for the industry. For example, in June 2010 the Norwegian Petroleum Directorate (NPD) advised of a moratorium on all deep sea drilling in the NS Continental Shelf area, putting at risk the development of a number of recent deep-sea (over 1000m) discoveries. Further inquiry, such as that presented here, adds to the small body of existing research, to extend knowledge about the way in which this influential industry operates. To provide context to this study a brief overview of the oil sector follows.

## **1.5 The oil sector**

The globalisation of the oil industry began during World War I and remains, “intimately intertwined with national strategies and global politics and power” (Yergin, 2008, p. xv). Today the industry is recognised as one of the most successful sectors and its economic, political and social influence endures. The dominant position of the industry in global economic terms is underscored by the fact oil and gas companies represent a fifth (11 of 50) of the top companies identified in the latest Forbes 2000 Rankings (DeCarlo, 2009) (see Appendix 1, p. 144) The subject organisation ranks among the top 50 on this list.

The importance of the sector is even more pronounced for those living and working in Stavanger. Currently, 58 oil companies have offices here, managing production from 65 operational fields in the NS Continental Shelf area. Together these fields yield 2.3 million barrels of oil per day, and 102.7 billion standard cubic meters of gas. In terms of world production, Norway ranked 2<sup>nd</sup> in gas production and 6<sup>th</sup> in oil production in 2008. The NPD estimates that since the first oil discovery in 1969 more than 8,000 billion Norwegian Kroner (NOK) has been contributed to Norwegian society by the industry. As the largest national industry, the oil sector has “contribut[ed] significantly to economic growth...and to the financing of the Norwegian welfare state” (Nordvik, Verlo, & Zenker, 2010). The importance of this industry to the wellbeing of the nation as a whole, and the individuals who live here, is significant.

## **1.6 ZOAC Norge – the organisational context**

ZAOC Inc was created in 2002 following the merger of two American oil companies, Company Z and Company A. Both had a long history of success, regionally

and globally, but particularly in Norway. Exploration activity on the NS Continental Shelf resulted in both companies finding and developing some of the largest fields currently in production. While the contributions of Company Z and Company A added to the wealth and security enjoyed by Norway and its people, it also enhanced the reputations and balance sheets of the two businesses. However, low oil prices in the late 1990s provided the impetus for a number of takeovers and mergers. Company Z and Company A were among a number of players to merge, creating one of the largest publicly traded oil companies in the world. It is headquartered in Houston, Texas, has operations and assets in more than 30 countries and employs more than 30,000 people.

#### **1.6.1 The procurement directorate at ZAOC Norge.**

ZAOC Norge currently employs a staff of 1,800. The PD is one of fourteen directorates that make up the organisation. Procurement is the sourcing and purchasing of goods and services for business use. It has emerged from being a set of functional skills to a profession encompassing the whole supply chain, and while not a core function at ZAOC Norge, is increasingly recognised as driving corporate business beliefs (S. N., personal communication, April 2009). The importance of procurement to the business is acknowledged through the procurement director holding a full place on the management board of ZAOC Norge.

The objectives of the directorate are to:

- identify the needs of customers and suppliers;
- choose and prepare tools and processes to communicate with suppliers;
- prepare requests for proposals and quotations;
- formulate policies for evaluating proposals, quotes and suppliers.

The PD is responsible for the expenditure of billions of NOK per annum, on a diverse range of goods and services from linen/laundry supplies on accommodation rigs, branded merchandise for promotional activities, diamond-tipped drill bits for exploration wells, to information technology products for use in pipeline control rooms. This diversity requires a level of expertise in product specifications, relationship management, contracts and the law, and commercial issues, as well as an ethical approach to ensure unfair practices are avoided. Accordingly, this environment provides a microcosm, not only of the organisation, but also of significant components of a composite organisational culture.

The current structure of the directorate was implemented in 2008, with five operating units in four departments providing strategic procurement input, capital project procurement and operational procurement services. As of August 2009, the directorate comprised 45 people, representing less than 2.5% of the total staff of ZAOC Norge. Five staff are employed in PD1, 12 in PD2, nine in PD3, and 17 in PD4. PD4 is further divided into two operating units, PD4(materials) and PD4(contracts), with eight members in each team and the department leader. Each operating unit is identified using a code, as indicated, to ensure confidentiality. The remaining two members of the directorate are the procurement director and the administration assistant. The research is presented as follows.

## **1.7 Organisation of thesis**

Chapter 1 has provided an overview of the study, establishing the context and background to the research. Chapter 2 introduces the reader to the literature which, in turn, provides the theoretical framework for the study of organisational subcultures. The

literature related to organisational culture and organisational subcultures are reviewed as separate concepts, as while they are inextricably linked the two are conceived differently. The complex and paradigmatically opposed models that underpin organisational culture theory are included to make sense of the subsequent theories that have been developed to explain subcultures. Finally the methodological considerations that inform the research are presented. These include the epistemological and ontological influences as well as some of the contemporary debates that divide researchers in their approach to studying this phenomenon.

Chapter 3 describes the research methods that were utilised to collect and analyse the data needed to address the research questions. The rationale for adopting a case study methodology is presented first, followed by a case study protocol which guided all aspects of the conduct of the research, including the development of a case study protocol to meet ethical requirements of the research, address issues surrounding the verification of the data, including those related to reliability and validity, and to ensure the systematic and consistent use of the data sources and the data collection strategies. After developing a case study data base, a content analysis method was used to reduce the data in order to interpret it. Finally, the limitations of this study are outlined.

Chapter 4 presents the results as they emerged following interpretation of the data in response to the research questions. Specifically this chapter elucidates possible reasons for the emergence of the identified subcultural groups, and the ways in which these groups are communicated and maintained. This is followed by a description of the mechanisms which regulate intergroup relationships, and the groups' relationships with the wider organisation.



Chapter 5 presents the converging findings revealed from the multiple sources of data in order to explicate and understand the influence of the identified subcultural groups in the PD, and elucidate any contradictions or inconsistencies revealed between the groups and the overarching cultural milieu. Five important themes are discussed: first, that identifiable and unique subcultures do exist in this context; second the dynamic nature of subcultures is revealed, with both stable and transitory groups identified, each at a different level of development; third, the existence of subcultures can bring positive consequences to the organisation they are embedded within; four, intergroup relationships are manifest in mutual support and peaceful coexistence; and finally, while subcultural groups have distinct boundaries these boundaries are not strictly delineated, and some overlap occurs. The final chapter draws together these results and considers the implications for the PD and wider organisation. Opportunities for facilitating further research in the area are also suggested.

## **Chapter 2: Literature review**

The purpose of this chapter is to introduce the reader to the theoretical concepts that form a frame of reference for this research. In an attempt to explain and understand what is recognised as organisational subcultures, theories have directly evolved from the body of knowledge encompassing organisational culture. Acknowledging this, the literature review is organised as follows; the first section provides a brief review of the development of, and current thinking about, organisational culture. The second section appraises developments in theory relating to organisational subcultures, as relevant to this research. The third section presents the methodological considerations, including the epistemology and ontology that inform the research, some of the debates surrounding the divergent research approaches and methods that have been used in the study of organisational culture and subculture, and a discussion of the chosen research methods' limitations.

### **2.1 Organisational culture**

The convergence of two research traditions and a dynamic environment of social and organisational change has resulted in the evolution of two dominant perspectives or paradigms within the milieu of organisational culture research (Alvesson, 2005; Cheney et al., 2004; Martin, 2002). On the one hand is the symbolist perspective, grounded in anthropological traditions which endeavour to develop thick descriptions or contextualisations characterised as something an organisation *is* (Smircich, 1983), and informed by radical, thought provoking works of authors including Smircich (1983), Meyerson and Martin (1987), Martin and Siehl (1983) and Morgan (1986). Organisational culture viewed through this lens perceives culture as a system of

meanings (Geertz, 1973) which evolves and changes in response to the dynamics of the environment in which it exists.

On the other hand is the functionalist perspective, with its roots found in the instrumental traditions and “mechanistic assumptions” (Cheney et al., 2004, p. 88) of organisational climate studies characterised as something an organisation *has* (Smircich, 1983). Defined in the work of functionalist authors such as Deal and Kennedy (1982), Peters and Waterman (1982), and Schein (2004), whose seminal work, *Organisational culture and leadership* was first published in 1985, it is grounded in social sciences other than anthropology (Alvesson, 2005; Ashkanasy, Wilderom, & Peterson, 2000). Organisational culture viewed through this lens is perceived as a tool or instrument which organisations are able to manipulate to achieve their goals. Both approaches are integral to understanding organisational culture and, in turn, organisational subcultures.

A review of the literature, however, suggests polarisation between the two traditions continues, and remains current, with little agreement among those with an interest in the topic about how to define the meaning of, or how to study, organisational culture. Examination of each of the dominant paradigms provides focus for contemporary debates and dilemmas facing organisational scholars in their attempts to further develop the phenomenon and move understanding forward.

Furthermore, it is relevant to this study to recognise the existence of both paradigms as the subject organisation, as noted earlier, has and continues to be influenced by the cultural traditions embodied in the functionalist perspective. An appreciation of the theoretical foundations of the functionalist paradigm will increase the reader’s understanding of the current organisational environment that operates within ZAOC Norge, and provide a basis for understanding apparent contradictions that

emerge as a result of studying the organisation from a perspective informed from the alternative symbolist paradigm.

### **2.1.1 The symbolist paradigm.**

Organisational culture viewed from the symbolic paradigm is conceptualised as a system of meanings which is produced and interpreted through organisational behaviours and artifacts (Geertz, 1973). One of the earliest works that links this conceptualisation of culture to identifiable groups, although in a social rather than an organisational context, is the 1933 study by sociologist William Foote Whyte (1991). This significant work is credited by some (Bryman, 1991; Jermier, 1991; Jones, 1991; Riley, 1991) as introducing the traditions and methodologies of anthropology to the field of organisational studies and research; first, it concerns a particular definable group with an observable social structure (Riley, 1991); second, it relates the identifiable groups to both the definable group and to the wider culture (Jones, 1991; Riley, 1991); and third, the work provides a model for how organisational culture could be studied (Bryman, 1991; Jones, 1991). However, the domination of the strong overarching culture prevailed over many decades, with only a handful of academics producing studies embracing the potential of Whyte's (1991) model.

It was not until a study by Pettigrew (1979) applied the anthropological approach modelled by Whyte (1991), and considered the relationship between meanings and organisational behaviours. The research utilised methodologies from the field of ethnography (Ashkanasy et al., 2000) and introduced the notion of symbolism, defined as "objects, acts, relationships or linguistic formations that stand ambiguously for a multiplicity of meanings, evoke emotions and impel men [sic] to action" (Cohen, 1974,

p. 23 cited in Pettigrew, 1979, p. 574), to describe how “purpose, commitment, and order are generated in an organisation...through the amalgam of beliefs, ideology, language, ritual, and myth we collapse into the label of organisational culture” (p. 570). The analysis of symbols is largely absent in previous organisational studies (Ashkanasy et al., 2000; Jones, 1991; Miller, 2004), as were other symbolic elements, such as those of meaning making and the influence of national culture (Peterson & Smith, 2000). The use of anthropological methods allowed those with an interest in understanding organisations to view them in terms of social systems, taking “into account the history and the future...and relating them to the present” (Pettigrew, 1979, p. 570), and thus introducing the notion of contextualisation into culture studies, a notion absent in functionalist research. Pettigrew’s (1979) study is also notable for being among the first to use the term ‘organisational culture’.

The recognition of organisations as social phenomenon encouraged researchers to examine the relationship between symbols, the outward expression of culture, and the meanings that symbols represent to members of a cultural group (Cheney et al., 2004; Martin, 2002). Martin contends that the meanings contained in the symbols or artifacts that represent organisational meanings are not superficial but that artifacts are likely to “reflect deeply held assumptions” (p. 47) that inform organisational members’ cognitions and behaviours. Likewise, Driskill and Breton (2005, p. 55) argue that “part of the richness of cultural elements is their ambiguity and their ability to convey multiple meanings simultaneously”. This is particularly relevant to the evolution of organisational subculture theory, acknowledging as it does that a single symbol can represent a variety of meanings to individuals as a result of contextual, national,

professional and other differences, and thus provide the basis for the emergence of a group.

Despite the work of a small group of authors (Feldman, 1991; Meyerson, 1991; Peterson & Smith, 2000), the idea that cultural elements and the meanings they convey may not be understood and interpreted in the same way by all organisational members, has failed to take hold. Most research continues to be bound by definitions of organisational culture that focus on the notions of clarity, consensus and consistency, which underpin the functionalist paradigm. This approach fails to acknowledge the possibility of, or potential for, alternative interpretations (Frost, Moore, Louis, Lundberg, & Martin, 1991; Martin, 2002; Meyerson & Martin, 1987) embodied in the symbolist perspective.

Research framed by a symbolist paradigm tends to adopt methodologies grounded in inductive, qualitative traditions including sensing, contextualisation, reflexivity, and interpretation in order to understand the meanings cultural elements express. The most commonly used methodologies include ethnographies based on observation, textual and discourse analysis, and analysis of visual artifacts (Ashkanasy et al., 2000; Martin, 2002).

While the existence of subcultural groups is barely recognised in the functionalist paradigm, (as explained in section 2.1.2 below, p.18) they are integral to anthropological cultural analysis. Likewise, the notion of healthy or unhealthy, and strong or weak culture is absent from traditional anthropological theory, but is a prominent feature of functionalist models (Deal & Kennedy, 1982; Peters & Waterman, 1982; Schein, 2004). Yet it is increasingly apparent there is a blending of concepts borrowed from the two opposing paradigms. This blending is manifest in work by

authors such as Schein (2009), Lok, Westwood and Crawford (2005) and Boisnier and Chatman (2003), and suggests that organisational culture theory is not strictly delineated by these paradigms, and sometimes overlaps. Nonetheless, if culture is viewed as a system of meanings, as it is here, the use of anthropological traditions in developing a coherent theory to explain and understand relationships that exist among organisational members has greatly extended scholarship in the subject.

### **2.1.2 The functionalist paradigm.**

An alternative, dominant paradigm informs much organisational culture thinking and has been adopted by many organisations, including ZAOC Inc. Therefore some appreciation of the theory that underpins this perspective will orientate the reader to the existing cultural environment that exists within the subject organisation. The deductive functionalist paradigm, in contrast to the inductive symbolist paradigm, is built on instrumental approaches known as climate studies. According to Ashkanasy et al., (2000) a 1939 study by Lewin, Lippitt and White was the first to coin the term ‘organisational climate’. The term is still used and describes “the psychological environment in which organisational behaviour occurs” (Trice & Beyer, 1993, p. 26), most typically the attitudes, feelings and social processes of groups (Ashkanasy et al., 2000; Denison, 1996). Using quantitative methods, such as questionnaires and attitude surveys, climate studies sought to measure attitudinal and behavioural variables, and, over time, dimensions of culture, to provide a perspective on organisational health at a specific moment in relation to a specific issue or contextual situation (Martin, 2002); for example, employee perceptions regarding access to information, or the effectiveness of communication channels.

Reducing dimensions of organisational culture to a variable and treating it in a similar way to attitudinal and behavioural variables has posed some problems. The most significant problem is that of measurement. Even deductive, functionalist scholars acknowledge that measuring cultural dimensions has proven difficult (Pandey, Coursey, & Moynihan, 2007; Schein, 1996). Indeed, Wilderom, Glunk and Maslowski (2000) identify multiple issues: first, the operationalisation of cultural variables may be inconsistent and is often ambiguous; second, the tendency to adopt measurement instruments “that utilise culture strength...seem too crude” (p. 207); and finally, measurement methods are simplistic, static, and fail to capture the complexity of the phenomenon. Nevertheless, quantitative measures of organisational culture are widely used (e. g., O'Reilly, Chatman, & Caldwell, 1991; Quinn & Rohrbaugh, 1983; Wallach, 1983). In addition to the problems identified by Wilderom et al., (2000), quantitative instruments have also been criticised for being too narrow in their focus (Alvesson, 2005; Martin, 2002), as they attempt to measure an organisation's culture using a single aspect of the phenomenon, and do so frequently without considering the wider dynamics of the environment in which it exists, such as the influence of organisational history and the nature of the industry, both of which are relevant to this study.

Another unresolved debate focuses on the desirability of strong or weak and healthy or unhealthy dimensions of organisational culture and their ability to positively or negatively affect organisational performance. Saffold's (1988) early essay posits that the culture strength/performance relationship is problematic, pointing to weaknesses on at least five levels: it fails to take into account the effects of subcultures in determining an organisation's success; the measurement of strength or health has not been properly operationalised; the over-reliance on cultural profiling instruments, which reduce



organisations to a generalised model and fail to take into account the unique nature of each entity; and the studies are frequently flawed, methodologically, being neither adequately validated or free from bias. Smircich (1983) and Martin (2002) in a similar vein, argue that the continued preoccupation with finding a link between organisational culture and enhanced organisational performance has resulted in the over-simplification of a complex and multi-faceted phenomenon. Nevertheless, the existence of this potential link continues to be explored and provided the catalyst from ZAOC Norge management to support this study.

The desire for organisational culture to enhance performance endures among organisational managers, despite history showing the failure of a number of strong culture companies identified in Peters and Waterman's (1982) research (Wilderom et al., 2000). Any apparent positive links between strong or positive cultures and enhanced organisational performance appear to have overlooked the paradox of weak or negative organisational cultures, such as Pitney-Bowes and McGrawHill, whose businesses have thrived (Driskill & Brenton, 2005). It is perhaps as Schein (2004) suggests, that a strong culture is not necessarily better, and further, who is to say what the preferred culture should be for a particular organisation? It will be of interest to the organisational scholar of the future to see if this strong culture/enhanced performance link can be made and whether or not "functionalist assumptions about the potentially 'positive' consequences of culture" (Alvesson, 2005, pp. 193-194) will continue to dominate popular thinking. Certainly, it does so in the subject organisation; however, there is a burgeoning acknowledgement among ZAOC Norge management that culture may indeed be expressed as a pluralist phenomenon, made up of many groups within a single entity and each impacting on the dynamics of 21<sup>st</sup> century organisational life.

## 2.2 Organisational subcultures

As summarised above, the literature suggests that most organisational culture scholarship is dominated by functionalist thinking, where culture is conceptualised as a single, homogeneous overarching phenomenon which can be controlled and manipulated by organisational leaders. In contrast, a small number of scholars have espoused an alternative view; that organisational culture is a plural, heterogeneous phenomenon where groups smaller than the whole develop and maintain their own unique cultural dimensions. There remains a significant amount of interest and activity surrounding the phenomenon from this perspective, and scholarship related to understanding and explaining organisations in terms of subcultures has, of late, been increasingly prominent.

The label 'organisational subculture' is relatively new to the lexicon of organisational culture studies, but the idea is not. Trice (1993) suggests that the notion of subcultures - in the form of occupational groups as a unit of organisational analysis - extends back as far as the 1930s and the Hawthorne Studies where "a difference in task clusters (potential occupations) distinguished selector wiremen and soldermen" (p. xiv). Since the mid-1980s the work of a small number of symbolist scholars including Gregory (1983), Jermier, Slocum, Fry and Gaines (1991), Louis (1983), Martin and Siehl (1983), Sackmann (1992) and van Maanen and Barley (1984), and some functionalist scholars, specifically Trice and Beyer (1993) and Trice (1993) have contributed to the development of the concept. These scholars go so far as to argue the existence of subcultures in organisational environments is inevitable, and support Bloor and Dawson's (1994) statement that:

While it is empirically possible for an organisation to exhibit an homogenous organisational culture, this appears to be the exception rather than the rule, especially in large, complex organisations where the ongoing recruitment of new personnel from the outside, the introduction of new technology, and the existence of departmental and other group perspectives all mitigate against a unitary culture (p. 280).

Examining organisations through a functionalist lens does not capture the multifaceted and complex nature of 21<sup>st</sup> century organisations (Alvesson, 2005), nor does it consider that, like the societies they operate in, organisations are likely to be made up of and influenced by multiple groups, each with different interests and beliefs. Thus, the notion that organisational subcultures may be an alternative expression of culture has continued to gain support and credibility among both organisational scholars and practitioners. Nonetheless, despite the inevitability of organisational subcultures from a symbolist perspective, Martin (2002) cautions researchers against assuming that subcultures exist, stressing that their presence in an organisation must be evidence based, the result of analysis of the data rather than a conjecture that a particular subculture should exist because one or more of the defining characteristics is present. Whereas functionalist studies will almost certainly fail to acknowledge the existence of subcultural groups at all, consistent with the single overarching culture perspective they adopt, studies informed by the symbolic perspective, such as this one, are sensitive to the interaction networks, social or organisational identifiers, common problems and cognitive and behavioural reactions that define and differentiate subcultural groups.

### **2.2.1 Defining ‘organisational subcultures’.**

Although no single definition of subculture has emerged as universally accepted, the most commonly used definition is that proposed by van Maanen and Barley (1984), which describes a group that regularly interacts with one another, shares the same problems, acts together to form the basis of a common way of thinking that is unique to the group, and identifies itself as a distinct group within the larger group based on a common or unifying characteristic. Each of the four facets of this definition are examined in turn. First, the organisational environment must facilitate regular and frequent face-to-face interaction between group members, such interaction being integral to the development and maintenance of subcultural groups. Group members must interact with one another in order to form the group and communicate its important meanings if the subculture is to endure.

A second aspect implicit in van Maanen and Barley’s (1984) definition is that the group’s members share the same concerns. Subcultures have a *raison d’être*, Martin (2002) likewise suggests, and may emerge from, and are maintained to address, a common concern, problem or issue. Bases for emergence include: a perceived loss of organisational legitimacy among organisational members, who subsequently create a group to provide positive meanings and a basis for identification (Rodrigues, 2006); a shared and unifying social, organisational or individual characteristic (Jermier et al., 1991; Trice, 1993); and a perceived need to mediate and defend the interests of members (Martin, 2002; Trice & Beyer, 1993; van Maanen & Barley, 1985). Issue-based groups are often transient, existing only as long as the issue continues to be salient, while groups emerged from other sources are likely to be of a more permanent nature.

The third component in van Maanen and Barley's (1985) definition is the existence of a common way of thinking and behaving that is unique to the group. As a subset of larger group within the organisation, the smaller group is likely to exhibit some cognitive and behavioural characteristics of the larger group. However, at the same time the smaller group will develop distinctive characteristics and artifacts that reflect its own particular interests, and which are likely to be different from the behaviours and artifacts of non-members. These unique behaviours and artifacts may be in concert with or challenge the important interests and meanings of the larger group.

Finally, a common identifying or unifying characteristic needs to exist from which group members can form a shared or group identity. A wide range of characteristics have been recognised as forming the basis for a common or shared identification within organisations, including those related to tasks, labour processes and general working conditions; demographic characteristics; and managerial, professional and occupational lines. An explanation of those most relevant to this study follows.

### ***2.2.1.1 Unifying characteristics - demographic.***

Demographic characteristics refer to a wide range of personal and social features. Those identified as salient to the study of organisational cultures and subcultures have been categorised as personal (or individual) characteristics such as age, race and ethnicity, or associated with personal biographies such as family background, education and social status. These can, in turn, lead to the establishment of informal networks, and form the basis of personal relationships, cliques and friendships (Jermier et al., 1991; Trice, 1993; Trice & Beyer, 1993) from which subcultures may emerge.

While it has been noted that subcultural groups which form around these characteristics are frequent (Jermier et al., 1991; Trice, 1993), only a very few studies, such as that by Young (1991), which identified subcultural groups among female shop-floor operatives, were found among the literature.

#### *2.2.1.1.1 Gender.*

The issue of gender is relevant to this study because of the industry context. Miller (2004, p. 46) notes “that the oil industry is masculine, not only in the historical and contemporary demographic composition of its employees, but in its assumptions, values and everyday practices, [and] is almost taken for granted”. This context is underpinned by cognitions where “the frontier and the cowboy create a specific present day consciousness reflected in the culture of the oil industry” (Miller, 2004, p. 64), where toughness and tenacity are highly valued attributes, and reinforced by the domination of professions such as engineering and geosciences, which are traditionally masculine. Statistics show that “currently female workers make up just 21% of the oil and gas workforce in the United Kingdom (UK), as compared with nearly half of the total workforce over all industries...the statistics are similar around the world. In Canada, participation rates are 24%, and in Norway, 20%” (McLeod, n. d.). Moreover, McLeod notes, most women are clustered in administrative, catering and service/sales roles, and overwhelmingly in non-managerial positions. Thus a “powerfully masculine culture” (Miller, 2004, p. 48) underpins the development and maintenance of male hegemony in this industry.

The few studies that do examine the role of women in this male-dominated industry tend to focus on women’s roles in the engineering or exploration disciplines (e.

g., Bowie, n. d.; Burek & Higgs, 2007; Miller, 2004). These authors conclude that, despite having exceptional skill, women frequently battle in a cultural landscape characterised by hegemonic maleness. For example, at the British Geological Society “the archives reveal that Miss Hendricks and Miss Guppy (both were unmarried, as officially female officers had to resign on marriage up until 1975) made significant contributions to survey publications, but their authorship was not credited on the majority of the published volumes” (Bowie, n. d.). Women in Miller’s (2004) study were frequently asked “Are you tough enough?” by male colleagues, and led her to hypothesis “two theories on why women don’t make it all the way to the top...either they decide they can’t do it anymore, and they need to move out, or they are just not playing the game and they get dumped” (p. 68) by their senior and inevitably male colleagues.

One of the few studies that examines gender roles in the procurement function across a range of industries (but not the energy sector) found that overall, gender differences in this profession mattered little. Rather, the study’s authors, Pullins, Reid and Plank (2004) concluded internal clients and external suppliers appear to make judgments about the procurement professionals they interact with on the basis of perceived trustworthiness, credibility, communication behaviours, relationship quality and customer orientation among other things, but not on the basis of gender. However, in this context it is of interest to explore whether the typically pervasive masculine culture that dominates other sections of the industry exists to the same extent.

#### *2.2.1.1.2 National culture.*

According to Yeganeh and Su (2006) most scholars in the field acknowledge that organisations do not exist in a cultural vacuum. Rather, they are culture bound entities and need to attend to the national differences associated with people and place. The prevailing view appears to be that the culture of a work organisation is influenced and framed by the national culture within which it operates. As a consequence, the dominant national culture provides an ideological context for the organisation, and thereby affects such organisational factors as structure, use of technology, policy development and systems of reward and punishment (Hofstede, 1980; Hofstede & Hofstede, 2005; Hofstede, Neuijen, Ohayv, & Sanders, 1990; Stone-Romero, Stone, & Salas, 2003; Trice & Beyer, 1993). This approach has underpinned thinking with regard to global organisations, despite notions of cultural convergence or a ‘universal culture’, which, while described in the literature has thus far failed to materialise (Leung, Bhagat, Buchan, Erez, & Gibson, 2005; Yeganeh & Su, 2006). Indeed, support for such notions may have focused attention more sharply on the need to preserve and promote national cultural elements. Huntington (1996, p. 29) puts it another way: “The essence of Western civilisation is the Magna Carta, not the Magna Mac. The fact that non-Westerners may bite into the latter has no implications for their accepting the former”. Norway in particular, has a strong tradition of preserving its culture, manifest in patriotic displays on national days and at significant events. It may be the case that such nationalism plays an important role in the subject organisation. Therefore, understanding the influence of national culture characteristics may not only be relevant to but may also inform many of the organisational processes that operate in this research context.



As with organisational culture, national culture has been studied from both the positivistic and social constructionist paradigms, with the former, and its emphasis on culture as an objective phenomenon that can be accurately measured, observed and investigated, dominating the literature (Yeganeh & Su, 2006). The positivistic paradigm underpins the conceptual framework for the most well-known studies into the influence of national culture and is reflected in the work by authors such as House, Hanges, Javidan, Dorfman and Gupta (2004), Hofstede (1980), Hall (1994), and Triandis (2004).

One of the most relevant aspects of Hofstede's (1980) study to this research is the differentiation of masculine and feminine oriented societies. A masculine society is characterised by competitiveness, achievement and aggression, while a feminine society is characterised "where emotional gender roles overlap; both men and women are supposed to be modest, tender and concerned with the quality of life" (Hofstede & Hofstede, 2005, p. 120). Norway ranks second bottom of 75 countries and regions in the masculinity index; only Sweden ranks lower. Conversely, this places Norway second highest on the femininity index.

Further, research by De Rivera, Kurrien and Olsen (2007, p. 265) lends further support to the premise that Norwegians are intrinsically feminine, noting "Norwegians report significantly less social anger" than other nationalities. In their comparative study of America, Norway and India, De Rivera et al. (2007) analysed eight cultural traits (anger, love, depression, fear, trust, confidence, insecurity and security) to assess differences in emotional climate and the culture of peace in these nations. Norway scored highest in trust, a crucial ingredient in social capital and an important component in effective internal communication to maintain unity that can incorporate diversity. They note "such communication as this requires a trust and respect between people and

groups” (p. 258). Moreover, their results suggest that judgments of trust are attributable to national, rather than other differences. In summing up, De Rivera et al. (2007) conclude that “trust and love affect a society’s ability to unify” (p. 269), but note the need for further research. It will be of interest in this study to assess the degree to which national characteristics, particularly the dominance of feminine characteristics, influence the cultural milieu of this organisation within a sector that is acknowledged for its masculine hegemonic.

#### *2.2.1.1.3 Occupational and professional characteristics.*

Occupations and professions have been described as cultures in their own right, and have been conceptualised in a similar way to organisational culture “in so far as they exist within an historical context and professional environment, which, together with their societal culture, shape their operating practices and professional codes, beliefs, values and ceremonies” (Bloor & Dawson, 1994, p. 283). Their value as a lens through which to study organisational subcultures is founded on the early work of van Maanan and Barley (1984), Trice (1993) and Bloor and Dawson (1994) in the 1980s and 1990s. While few, if any, studies have examined the procurement profession within the energy sector, some professions have attracted a good deal of attention. For example Bellou (2008), Lok et al. (2005), Morgan and Ogbonna (2008) and Scott, Mannion, Davies and Marshall (2003) have focused their research on health care professionals; Alavi, Kayworth and Leidner (2006), Guzman and Stanton (2004), Howard-Grenville (2006) and Leidner and Kayworth (2006) on information technology professionals.

While the preceding section examines the definitional issues related to the existence of organisational subcultures, the following section describes relational

aspects of the presence of these groups in a single organisational context. First, the relationships between the wider organisation and subcultural groups under its umbrella are defined, followed by typologies that explain inter-group relationships.

### **2.2.2 Organisational and inter-group relations.**

A number of typologies have emerged to explain the relationships that exist between the overarching culture and its subcultures and among subcultural groups. The most relevant categorisations are those developed by Martin and Siehl (1983) which describe the degree of congruency between meanings espoused by the organisation and those held by its members. Martin and Siehl's (1983) categorisations are also useful to elucidate the nature of the inter-group relationships that exist.

#### ***2.2.2.1 The nature of overarching culture and subculture relationships.***

According to Martin and Siehl (1983) the nature of the relationship between the overarching culture and a subculture that exists within it may take one of three forms: relationships can be positive and are labelled as “enhancing”; they can be negative, and are labelled as “countercultural”; or they can be neutral, having little or no obvious effect on the overarching culture and are labelled “orthogonal”.

Much of the literature focuses on relationships between the overarching culture and subcultural group as negative, where important organisational meanings are not congruent with those of the group. This is often the result of persistent and unresolved issues between the overarching culture and the subcultural group members creating a cultural environment where “groups of employees challenge, modify, or even replace the official culture” (Jermier et al., 1991, p. 172). This in turn, leads to a cultural milieu

characterised by conflict, with the dynamic interactions likely manifest in dissonant and unsupportive behaviours.

A very few studies have emerged where the existence of organisational subcultures has a positive effect on the overarching organisational culture. Evidence of enhancing relationships has been noted by Boisnier (2003). Likewise, Boisnier and Chatman (2003, p. 2) found that “subcultures have certain properties that can even strengthen an organisation’s overall organisational culture”, while Lok et al. (2005) note that supportive and innovative subcultural groups are more likely to maintain an enhancing or positive relationship with the main culture.

A number of different subculture groups are likely to reside within a single, overarching organisational culture suggest Egan (2008), Scott et al. (2003), Kwantes and Boglarsky (2004) and Lok et al. (2005) among others. Extending this idea, organisational scholars posit that multiple groups may not only exist within an overall culture, but that their presence is not inconsistent with the existence of a well-developed or strong overarching organisational culture (Boisnier, 2003; Boisnier & Chatman, 2003; Gregory, 1983; Jernier et al., 1991; Lok et al., 2005; Trice, 1993; Trice & Beyer, 1993; van Maanen & Barley, 1984). Indeed, as one writer states, a subculture can be seen as “varietal grafts different from the supporting grapevine... [with] both essential connections to the main culture and distinguishing features making it unique from the larger organisation” (Egan, 2008, p. 302).

There is also disagreement among scholars with regard to the degree of influence a subcultural group is able to exert within the wider organisational context. For instance, Morgan and Ogbonna (2008, p. 41) argue “it is the interaction of subcultures that influence the emerging pattern of values that is commonly described as

organisational culture”. Huang, Newell and Galliers (2002) suggest this is an unlikely proposition as:

Subcultural differences exist because of differences between tasks, expertise and activities performed by various organisational groups. Given these differences...an organisational culture cannot simply be perceived as an aggregation of various subcultures. There is nothing common, necessarily, between these subcultures that can be said to be universally applicable to the entire organisation (p. 220).

Clearly, more research is needed to untangle this debate.

#### ***2.2.2.2 Inter-group relationships.***

The relationships that exist *among* subcultures have been typologised in a similar way to those between an overarching culture and its subcultures, that is they may be positive, neutral or negative. Much of literature reports that inter-group relationships are countercultural; subcultural groups, each supporting divergent objectives and interests, are likely to be characterised by conflict. For example Huang et al. (2002, p. 225) noted “subcultural differences were clearly evident in Invebank and were a source of inter-group tension and conflict”. Similarly, Mearns et al. (2001, p. 389) noted “examples where professional, occupational or hierarchical subcultures have not shared information or failed to communicate adequately in high risk organisations (HROs) sometimes with serious consequences”, while Guzman and Stanton’s (2004) study showed conflict-based relationships among subcultural groups manifest in reduced levels of cooperation, information sharing and collaborative working between the groups.

More relevant to this study is the assertion by Boismier and Chatman (2003, p. 6) that current thinking “does not consider the possibility that subcultures might co-exist within an overarching culture”. Sackmann (1992) first espoused the notion of peaceful coexistence, having found evidence to suggest that relationships among subcultures may have positive consequences. She notes the “co-existence of a homogeneous cultural grouping with different kinds of independent and overlapping cultural subgroupings” (p. 154), but studies supporting the notion of harmonious relationship or peaceful coexistence have rarely been reported. With the research lens clearly shifting in the direction of multiple subcultures as the dominant expression of culture within organisations, evidence of more may be revealed.

### **2.2.3 Subcultural membership.**

Organisational members may be part of more than one subcultural group (Bloor & Dawson, 1994; Gibbs, 2009). However, research into the notion that it may be possible for subcultural group members to possess characteristics that make them eligible for membership into more than one group is limited. Most often studies have tended to focus on the identification of single unifying characteristics such as profession or location. For example, studies by Guzman and Stanton (2004), Leidner and Kayworth (2006) and Alavi et al. (2006) pay attention to the technology professional while Lok et al. (2005), Morgan and Ogbonna (2008) and Bellou (2008) focus on healthcare workers. Still other studies examine differentiation by task, such as those by Huang et al. (2002) and Young (1991), but again do not acknowledge the likelihood of multiple subcultural membership. This focus on revealing and explaining the existence of a single characteristic of subcultures, such as the studies noted above, appears to

minimise the possibility of distinguishing multiple subculture memberships. It is more likely to be the case, however, that multiple organisational identities give rise to multiple group memberships, and confirming or disconfirming this forms part of the investigation in this research.

Multiple group membership has a number of consequences for the individual and for groups within the organisation (Ashforth & Mael, 1989). At the individual level, for example, conscious choices are made regarding group membership, based on the group's perceived congruence with salient identification characteristics. As a result, individuals may choose to join no groups or may be members of every group with which they identify. Multiple group membership encourages homogeneity in terms of acceptance and support of group meanings, but this may lead to role conflict where different groups support diverse or inconsistent meanings. By implication, multiple group memberships at an individual level may give rise the development and maintenance of homogeneous and ultimately harmonious intergroup relationships.

Current research suggests that novel theoretical frameworks are evolving as a result of an increased interest in the notions of multiple subcultures and multiple group membership. For example, from their work among hospital cultures and subcultures, Morgan and Ogbonna (2008) have identified the possibility of nanocultures. They suggest that close examination of individual subcultural groups reveals that they too may be comprised of levels or subgroups reflecting differences in members' status (or other unifying characteristic). In their study, the differences are based on the hierarchical importance of medical specialities which create conditions for the emergence of further sub-groupings among members of existing subcultures.

In the wider social context, it is not uncommon to find subgroups within subcultures; as long ago as 1937 Whyte (1991) hinted at the possibility. Not only did *Street Corner Society* identify clearly delineated groups among the community this work also notes further groupings within larger groups. However, among more contemporary studies the notion that nanocultures can exist within larger subcultural groups is one that has so far attracted scant attention. It may be the case that like the societies in which they exist, differences among subcultural members based on common unifying characteristics may provide the basis for the creation of smaller groups within larger, identifiable subcultures. Clearly, this is an area that needs further research, and further refinement may be necessary in order to extend our understanding of the dynamics that develop and maintain the relationships between and amongst subcultural groups. Accordingly, research exploring subcultures will need to incorporate questions relevant to identifying these characteristics.

### **2.3 Methodology**

Research exploring the existence of culture and subcultures in society has traditionally been the domain of anthropologists who used ethnographic methods to provide rich descriptions of the subjects and their environment. Techniques have been predominantly qualitative in nature, and include observation and interviews to capture data to describe, analyse and interpret the phenomenon. This approach contrasts with traditional management research, which has typically relied on quantitative instruments such as the survey, to provide numerical data from which to draw conclusions or test hypotheses. More typically, however, quantitative methods are eschewed by symbolist organisational culture scholars, while qualitative techniques are not part of the



functionalist research approach although some studies have borrowed and blended techniques from both (i. e., Boismier and Chatman, 2003; Lok et al., 2005; Schein, 1980). What does appear to be overlooked in some of the debate related to the strict divisions between the epistemology, ontology and theoretical perspectives that inform methodological approaches, is the purpose of the research. It is this that must inform the researcher of the methods appropriate to effectively address the research questions.

### **2.3.1 Epistemology and theoretical perspective.**

As described earlier, divergent traditions have evolved to understand the presence of cultures and subcultures in 21<sup>st</sup> century organisations and are manifest in approaches to the research methodologies that are accepted to study the phenomenon of organisational culture. The adoption of qualitative or quantitative methods is underpinned by differing philosophical and meta-theoretical assumptions which have polarised organisational culture scholars regarding the efficacy of one approach over the other. This research adopts an inductive interpretive approach, using qualitative methods.

It is argued that the research methodologies selected tend to be prescribed by the researcher's ontological and epistemological orientation (Ashkanasy et al., 2000; Hatch & Yanow, 2008; Veal, 2005) where ontology is the "science of being" (Trumble & Stevenson, 2002, p. 2000) or the nature of the world. On the other hand, epistemology is influenced by the beliefs held about the nature of the world which relates to the way in which phenomena are studied. This is an important distinction as researchers from a realist-naturalist/deductive paradigm are most likely to follow methodologies grounded in quantitative traditions; that is, data is collected and analysed from experiments,

questionnaire and survey instruments and archival studies of large data sets (Martin, 2002). In contrast, approaches informed from a constructivist-interpretivist/inductive paradigm tend to adopt methodologies grounded in qualitative traditions; that is, through reflexivity, contextualisation and interpretation in order to explain meanings from the data.

The case study methodology, which guides the research presented in this thesis, developed from an inductive framework of the constructivist-interpretivist perspective which ontologically views the world subjectively. Social realities are perceived as constructed and learned through collective experience-based processes, of which the researcher is a part. Epistemologically, this perspective “reject[s] the idea that human nature can be studied in the same way as non-human phenomena...the world is socially constructed and subjective, and the reality that should be studied is the perceptions of the actors involved...rather than a model of reality imposed by the researcher” (Veal, 2005, p. 24). For the organisational scholar:

Organising arises in interactions among...stakeholders and their perceptions of these interactions, and from their efforts to make and communicate meaning or to thwart such communication...it is possible to make trustworthy observations and to render them in ways that meet the evaluative standards of interpretive science (Hatch & Yanow, 2008, p. 28).

The aim of such research is to describe, interpret and understand the activity that is observed (Alvesson, 2005). This study draws heavily on theories informed by meanings and perceptions and thus sits within the constructivist-interpretivist paradigm adopting a qualitative approach.

### **2.3.2 Qualitative approaches.**

Qualitative approaches are favoured by organisational culture researchers, informed by a symbolist perspective which focuses on meanings, for a number of reasons. First, a qualitative approach is more likely to recognise the importance of capturing the rich and varied meanings organisational members attribute to the artifacts, behaviours and symbols from their environment (Martin, 2002; Schein, 1990, 1996, 2004; Smircich, 1983). As van Maanen (1993, p. 9 cited in Veal, 2005) notes that:

Qualitative methods comprise an array of interpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world (p. 125).

Second, because the data is based on attributed meanings qualitative approaches enable the researcher to study the selected issue in depth and detail using a small sample size (Morgan & Ogbonna, 2008). Third, Creswell (2003) recommends the use of a qualitative approach when:

A concept or phenomenon needs to be understood because little research has been done on it...this type of approach may be needed because the topic is new, the topic has never been addressed with a certain sample or group of people, or existing theories do not apply with the particular sample under study (p. 22).

Finally, a predominantly qualitative approach provides the researcher with a number of differing research possibilities, including the case study (Creswell, 2003; Creswell,

Hanson, Clark Plano, & Morales, 2007; Ridder, Hoon, & McCandless, 2009; Yin, 2009).

### **2.3.3 Researching organisational subculture.**

There is no single, agreed upon approach to the study of organisational subcultures. Methods that have been used to study organisational cultures have also been used to determine the characteristics of organisational subcultures. For example, survey-type instruments such as Wallach's (1983) Organisational Culture Index (OCI) and the Organisational Culture Profile (OCP) devised by O'Reilly et al. (1991) have been used to investigate the phenomenon of subcultures, but symbolist researchers tend to be critical of the use of instrumental approaches which rely on quantitative measurements, favouring the use of qualitative methods such as observation and interviews, in order to gain the deep understanding needed to reveal the meanings and relationships that exist.

Nonetheless, it is noted here that subcultural scholars are increasingly tending to take the view "that singular attempts to define and measure organisational culture [and subculture] are misplaced. Instead, a plurality of conceptualisations, tools and methods are more likely to offer robust, subtle and useful insights" (Scott et al., 2003, p. 942). One methodology approach that has proven capable of incorporating a variety of data collection and analysis techniques that can be utilised to develop a deep understanding of the concept is the case study and which, according to Yin (2009), has gained increasing acceptance among scholars as a suitable vehicle for investigation of this phenomenon.

### **2.3.4 The case study as a research methodology.**

A case study is commonly defined as:

[A]n empirical inquiry that investigates a contemporary phenomenon in depth and within a real-life context especially when the boundaries between phenomenon and context are not clearly evident. The case study inquiry copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result relies on multiple sources of evidence with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions to guide data collection and analysis (Yin, 2009, p. 18).

Assessing the suitability of the case study as an appropriate vehicle for addressing the research questions can be determined by considering at least four criteria. First, what form do the research questions take? 'How' and 'why' questions tend to be explanatory and more likely to benefit from the use of case study (Yin, 2009). A second criterion, Yin (2009) suggests, relates to the level of control the researcher has over the events or participants that are the focus of the research, noting that case study methodology is preferred when the events and behaviours under examination cannot be manipulated by the investigator. Third, the researcher must consider timing; the study of real life, contemporaneous events lends itself particularly well to case study research. Another criterion to consider is that the case study allows for contextualisations of the event or activity under investigation. Contextualisations provide the backdrop to the study of culture from a symbolist perspective, recognising that organisational culture is

influenced by multiple factors that need to be considered when trying to explain and understand organisations and their members in the environment under investigation.

The final criteria for assessing the suitability of the case study method is its ability to incorporate a full variety of data sources (Ridder et al., 2009; Yin, 2009). These authors' emphasise this as one of the case study's strengths; as a research methodology it is flexible and in the investigation of a multi-faceted phenomenon such as organisational culture, which may be manifest in a variety of ways, an approach that affords flexible data sourcing methods is important.

Thus the case study approach represents a "detailed empirical investigation into a complex entity that emphasises the uniqueness of the case and is valuable for making a theoretical contribution" (Ridder et al., 2009, p. 137). It therefore provides an appropriate framework for this research.

#### ***2.3.4.1 Data sources.***

Yin (2009) cautions against the use of a single source of evidence in this type of study. Selecting two or more from the six possibilities identified:

Allows an investigator to address a broader range of historical and behavioural issues. However, the most important advantage presented by using multiple sources of evidence is the development of *converging lines of inquiry*...thus any case study finding or conclusion is likely to be more convincing and accurate if it is based on several different sources of information, following a corroboratory mode. (Yin, 2009, pp.115-6, emphasis in original).

Yin (2009) identifies six possible data sources (see Appendix 2, p. 146 for a summary of each). However, to address the research questions three of the six possibilities were selected. Each is described in the following sections.

#### *2.3.4.1.1 The interview.*

According to Yin, (2009, p. 108) “interviews are an essential source of case study evidence because most case studies are about human affairs...well-informed interviewees can provide important insights into such affairs or events”. Interviews are characterised by their length, depth and structure (Veal, 2005), and enable the researcher to explore more deeply than is possible in other types of methods, such as the survey. The interview format encourages participants to talk, respond to lines of questioning as they arise and explain their answers. While there are several different interview formats, semi-structured interviews allow “the extended comment from respondents [and] is the essence of the method” (Veal, 2005, p. 128). Unlike other interview formats such as the structured interviews, the semi-structured interview allows a degree of flexibility. The semi-structured interview is especially valuable in cultural research as an interpretative tool where the objective is to understand and explain the meanings of socially and subjectively constructed realities of respondents.

While it is generally accepted that the interview is an important part of case study research, Yin (2009) identifies a number of potential limitations. As a “verbal report” (p. 108) the data may be subject to bias, poor recall and poor or inaccurate articulation. Interviews may also be affected by reflexivity, where the participant provides an appropriate response to satisfy the interviewer, but which may not be true or accurate. Additionally, as Veal (2005) reports, interviewees’ responses may be

influenced by their desire to be seen as helpful and friendly, or be exaggerated to increase their involvement in positive events and activities and correspondingly reduce their involvement in negative events and activities. The problems described here can be addressed by incorporating one or more data sources into the case study method, where data collected from alternative sources can be used to collaborate or refute interview data.

#### *2.3.4.1.2 Direct observation.*

Observation of participants in their workplace is a data collection method used to reveal behaviours including physical actions and interactions, non-verbal behaviours (such as body language and tone of voice), how activities are enacted, and proxemics. This type of data collection in organisational culture inquiries has attracted a number of labels, including “fieldwork” (Jones, 1991) and “clinical research” (Schein, 2004). There has been some debate about where the researcher should position themselves in relation to the subjects they are investigating. Researchers adopt either an emic or outsider perspective, or an etic or insider perspective; however, advantages and disadvantages are associated with both. There is no definitive answer to this dilemma with Martin (2002) suggesting:

It is difficult to find a balance between emic and etic methods...a culture study can become too emic or etic...losing both the rich detail of an ethnographic account and the statistical precision of a careful quantitative study (p. 238).

For the organisational cultural researcher using observation methods, it presents another methodological quandary to be aware of.



While Veal (2005) notes that direct observation methods give rise ethical considerations - subjects are often unaware they are being observed - such concerns are countered by the perceived advantages of the method. First, knowledge of an observer may cause the subjects to change their behaviour and thus threaten the credibility of the study (Veal, 2005; Yin, 2009). Furthermore, the researcher is not able to manipulate or influence the subjects' behaviours when they are unaware the observation is taking place. Second, Veal (2005, p. 122) argues that the method provides an opportunity to present a "perspective on a situation that is not apparent to the individuals involved". Many behaviours are enacted unconsciously. Even careful use of other research methods, such as an interview or survey, would not reveal these behaviours, as the subject may not be able to articulate their actions in a particular situation. Third, it may be the only possible method available to a researcher that can uncover behaviours that subjects feel reluctant to talk about openly. Finally, it is "reality", that is, it covers events and interactions in real time (Yin, 2009), and importantly provides context for the case under investigation. Thus, direct observation methods are capable of providing valuable data about a wide range of the enacted manifestations of culture.

#### *2.3.4.1.3 Material manifestations.*

Material manifestations, such as the condition of buildings, nature of artwork, style of published documents or design of work spaces are the symbolic representations of culture and are capable of "tell[ing] us much of what we know about organisations. As the tangible, sensory, felt experiences in organisational life, symbols are a way to understand the organisations they reflect" (Rafaeli & Worline, 2000). Material manifestations have been described by some as superficial, according to Martin (2002),

but nonetheless contribute to, and are inseparable from, the deeper meanings and interpretations that organisational members attribute to them.

These symbols represent an important dimension when deciphering the cultural milieu that exists within an organisation and provide depth to a study by allowing the researcher to include “interpretations of formal policies, structures, informal practices, rituals and organisational stories, as well as extensive descriptions of the material environments in which people work” (Martin, 2002, p. 45). Moreover, symbols are the material manifestations of organisational life and “help organisational members and observers integrate their experiences into coherent systems of meaning” (Rafaeli & Worline, 2000, p. 76). As a direct product of the wider organisational culture, material manifestations provide for the contextualisations and “thick descriptions” Geertz (1973) (Geertz, 1973) argues are necessary to provide deep understandings of the cultural milieu they represent.

#### ***2.3.4.2 Categorising the case study.***

Case study research is categorised in a number of different ways (Yin, 2009). Differentiating between a single or multiple case study involves determining, first; if the case represents a critical case in testing a well-formulated theory; second, if it represents an extreme case or a unique case; third, if it is representative or typical; and finally if it is a revelatory case. This situation exists when an investigator has the “opportunity to observe and analyse a phenomenon previously inaccessible to social science inquiry” (p. 48). Differentiating between an embedded or holistic case is determined by the number of units involved. An embedded case study involves more than one unit of analysis; that is, where attention is paid to a subunit or subunits. “No matter how the units are

selected, the resulting design would be called an embedded case study design. In contrast, if the case study examined only the global nature of an organisation...a holistic design would have been used” (p. 50).

While multiple case studies may be deemed more compelling and robust, they are not considered appropriate in cases of unique research projects. Additionally, they are often beyond scope of a single researcher with limited time and/or resources.

#### ***2.3.4.3 Limitations of case study method.***

While there are benefits associated with adopting a case study method for the study of cultural phenomenon, some limitations are noted. The most significant of these stems from a perceived lack of rigour associated with the method. Yin (2009) argues that case study research is frequently carried out in a “sloppy manner” (p. 14), and thus devalues its reputation as a valuable and worthwhile endeavour. Specifically, two sloppy practices are identified. The first is that researchers tend to lack, or fail to follow, systematic procedures for the handling of their data. This failing can, however, be overcome by the orderly reporting of evidence gathered in a logical and organised way. The second is that researchers allow vague and ambiguous evidence, or partial and prejudiced views, to influence the findings and conclusions of their studies. This criticism may be difficult to address in organisational culture studies, as the researcher may have some sort of connection or association with the cultural milieu under investigation and, therefore, may hold perceptions that are biased or ambiguous toward that culture by virtue of those connections or associations. However, both of these criticisms can be addressed through the robust application of a methodical approach to the research process through developing a case study protocol detailing the procedures

to be used throughout, and describing the methods used in the research process. The use of a protocol such as Yin (2009) recommends addresses issues of reliability, where studies cannot be replicated and achieve the same results, and construct validity where we ask the question “are we measuring what we want to measure?” (Neuendorf, 2005, p. 112). In order to overcome the second criticism researchers must acknowledge biases toward and associations with the subject matter (as detailed in section 3.4, p. 66 below).

Another significant limitation centers on the lack of generalisability of case study research to a wider population. This criticism is frequently made of organisational culture studies using qualitative methods, which tend to focus on depth rather than breadth (Martin, 2002). However, criticism of case study research for a lack of generalisability is based on a misunderstanding regarding its purpose. According to both Yin (2009) and Ridder et al. (2009) the goal of a case study will most often be to expand theory rather than the enumeration of frequencies or statistical generalisation. Similarly, case study research has been criticised for the lack of ability to establish causal relationships between variables, but again this is not the goal of this type of research.

Despite these limitations, the case study method is increasingly accepted as an appropriate research procedure for the study of organisational culture, enabling the researcher to describe, analyse and interpret a “culture-sharing group’s shared patterns of behavior, beliefs and language that develop over time” (Creswell et al., 2007, p. 436). Other research methodologies are less capable of extracting data to provide the thick descriptions that “identify and refine constructs and their relationships, develop and confirm propositions, and embed constructs within a larger set of relationships” (Ridder, et al., 2009, pp. 137-8). Case study methodology is particularly valuable to the cultural

researcher; as well as providing for richness and depth, it focuses on an issue within a bounded system (i. e., a setting or a context), allowing for the use of multiple research and analytical methods.

### **2.3.5 Data analysis.**

The analytical technique of content analysis was considered appropriate for assessing the data collected in this research. Content analysis provides a set of procedures to reduce amounts of text into manageable units from which to make valid inferences.

#### ***2.3.5.1 Content analysis.***

Content analysis is “a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use” (Krippendorff, 2004, p. 18). While content analysis may be qualitative or quantitative in nature, quantitative approaches are rooted in literary theory, the social sciences and critical scholarship, and is the preferred analytical technique where recognising meanings is the desired outcome of the study (Krippendorff, 2004; Weber, 1990). The process may be applied to a variety of textualised objects including recorded communication, transcripts of interviews, discourses, protocols of observations and documents (Weber, 1990).

Content analysis can be used to reflect cultural patterns in groups; and reveal the focus of an individual, group or other social entity (Weber, 1990). It is increasingly valued as a technique for recognising meanings within institutions, including organisations. As Krippendorff (2004) notes, “content analysis of what is said and written within an organisation provides the key to understanding that organisation’s

reality” (p. 77). An analytical procedure such as content analysis operates directly on the text of the human communicators and organisational symbols.

While content analysis may be the preferred technique to analyse organisational texts there are a number of strengths and limitations. Among its strengths, according to Krippendorff (2004), is that it is an unobtrusive technique. “Content analysis...and interpretive research (in cultural studies for example) are nonreactive or unobtrusive. Researchers using ethnographic methods subscribe to the unobtrusive ideal as well, but while conducting fieldwork even the most careful ethnographers cannot escape influencing their informers” (p. 40). This is consistent with the emic (outsider) position adopted. Another strength is the ability to treat unstructured data (Krippendorff, 2004). While many research methods, such as questionnaires and structured interviews result in pre-defined responses that can be simply processed, the use of unstructured data that frequently results from semi-structured or unstructured interviews allows for subjects to voice their own interpretations of the phenomenon surrounding them. This data can then be treated in a way that is responsive and flexible. Furthermore, qualitative content analysis is context sensitive, that is, it can “acknowledge the textuality of the data...recognise the data are read by and make sense to others” (Krippendorff, 2004, p. 42). It does not matter how the data evolved, how the elements of the data relate to each other, at what level others understand the data or what the data mean to their sources. Factors such as these are important to satisfy in non-context sensitive approaches such as experiment or survey.

The process itself involves a number of specific steps according to Mayring (2002). However, the main idea of the procedure is to formulate a criterion of definition, derived from the theoretical background and research questions, which then determines

which of the textual material is to be taken into account. Adhering to the criterion, the texts are scrutinised, with the themes tentative and step-by-step deduced. Within a feedback loop those themes are revised and eventually reduced to represent a number of key or main themes and checked in respect to their reliability.

These advantages appear to outweigh some weaknesses that have been identified with the use of content analysis. The weaknesses include problems with data sampling, specifically where all texts of a population are not included. Thus, the sampling units are rendered “unequally informative” (Krippendorff, 2004, p. 114). Additionally, the researcher needs to acknowledge problems associated with recording/coding, a situation where observers “interpret what they see, read or find and then state their experiences in the formal terms of the analysis” (p. 121). Being aware of these limitations can improve the reliability of the research.

## **2.4 Summary**

The increasing acknowledgment of the existence of subcultures as a significant feature of 21<sup>st</sup> century organisations signals a rethinking of the nature of and research into organisational subcultures. The dominant approach, where a single overarching culture can be accurately measured using quantitative techniques and manipulated to achieve organisational strength and thus enhanced performance, has been tested by the economic, political and social environment of the early part of the 21<sup>st</sup> century. The notion of organisational subcultures, which takes into account the myriad of differences among organisational members, enables theorists and practitioners alike to conceive of organisations as multi-dimensional and pluralistic entities. Acknowledging, as this approach does, that culture is embedded in meanings and manifest in relationships and

behaviours, researchers have increasingly adopted qualitative methods to elucidate deep understandings of the cultural milieu that is present. At the same time scholars are developing novel typologies to explain the relationships and activities that occur between subcultural groups' members and the overarching cultures in which they exist.

Differing paradigms have given rise to divergent methodologies for the study of organisational culture and subcultures, with functionalist approaches favouring deductive, quantitative methods and symbolist approaches adhering to inductive, qualitative methods with their roots grounded in anthropological traditions. These differing approaches also reflect the divergent purpose of each, with functionalist studies aiming to predict and generalise, and symbolist studies aiming to explain and understand the phenomena under investigation.



### **Chapter 3: Methods**

While chapters one and two introduce the reader to the theoretical frameworks and organisational context of this study, chapter three describes the methods used to conduct the research. First, the rationale for selecting the case study methodology adopted in this research is presented. Following this the case study method as advocated by Yin (2009) is described. The precise nature of the procedures and processes which guided the data collection and data analysis stages of the research are embodied in a case study protocol. The protocol included how ethical considerations were addressed, and allowed for an orderly and methodical approach to the data, thus increasing the reliability and validity of the research. Methods describing data collection from three sources - interviews, material manifestations and observation - and analysis using a content analysis method follow. The final section presents the limitations as they apply to this research.

#### **3.1 The case study**

The research design required a methodology that was capable of capturing the perceptions of participants in a complex cultural milieu, to address the following research questions:

1. Do clearly identifiable subcultures exist within the PD of this organisation?

This question is designed to reveal the existence of subcultural groups within the PD of ZAOC Norge. It addresses central issues such as how the groups may have formed, whether there are delineated membership boundaries, and, if so, how they are maintained and communicated.

2. If so, what are the differences between the subcultural groups?

Are there distinguishing characteristics and manifestations of each group that are sufficiently robust for them to be labelled a unique subculture? Detailed characterisation of each of the groups will reveal similarities and differences between them, and provide the basis for understanding and explaining their continued existence.

3. Finally, what is the influence of these subcultural groups?

This question investigates how the identifiable groups affect on the day-to-day operation of the PD and the wider organisation. Identifying the influence of the subcultures that exist within the PD is intended to provide a deeper understanding of their potential influence in the overall functioning of the directorate.

The rationale for adopting the case study as a suitable means for the study of organisational subcultures in this context is described below.

### **3.1.1 Rationale for selection of case study methodology.**

The choice of a case study as a research method was influenced by three criteria, as described by Yin (2009) and Ridder et al. (2009). First, the how and why nature of the research questions suggested the research was explanatory, and studies guided by such questions are likely to benefit from the use of a case study approach (Yin, 2009). Second, the researcher's role in the investigation influenced the selection process. The case study methodology is considered a suitable vehicle where the researcher's involvement is limited to observing or recording data elucidated from interviews, rather

than manipulating the real life contemporaneous events unfolding within the research environment.

Critically, the chosen methodology needed to be capable of incorporating a variety of evidential sources to determine the meanings that study participants ascribed to experiences they encounter in their day-to-day working environment. The case study provides a flexible vehicle through which to collect data from multiple sources to address the research questions. The case study assessed using the criteria described by Yin (2009) and Ridder et al. (2009) met the criteria to address the research questions.

After determining the suitability of the case study's appropriateness to this research it was possible to categorise the investigation as a single embedded case study, satisfying two of the four criteria set out by Yin (2009) and described in 2.3.4.2 (see p. 45) above.

### **3.2 Systematic use of the case study**

The case study methodology is an iterative one, comprised of a number of identifiable steps, each representing several activities which can be revisited at any stage, if required. The relevant steps are planning, designing, preparing, collecting and analysing and are considered essential to providing evidence of a robust research design. The sections below describe how the relevant steps were applied to this research project.

#### **3.2.1 Designing the case study.**

Following Yin's (2009) recommendation, the five components of case study research design were integrated into the investigation as shown in Table 1 below.

**Table 1 The study design integrating Yin's (2009) components.**

Design component (Yin, 2009)	The study
1. Research question(s)	Do clearly identifiable subcultures exist within the Procurement Directorate of ZAOC Norge? If so, what are they and how do the relationships between these subcultures manifest themselves? In turn what is the influence of these groups within the PD and wider organisation?
2. Its propositions (if any)	None
3. Its unit(s) of analysis	1. Single directorate within ZAOC. 2. Departments within directorate (PD1, PD2, PD3, PD4(c) and PD4(m). 3. Time boundaries – contemporaneous with interviews and observations.
4. The logic linking the data to the research questions	1. Interviews. Semi-structured interviews to gain insight into perceptions of manifestations of culture, working relationships and communication patterns to reveal evidence of existence of subcultural groups. 2. Observation. To collect data relating to the behaviours and interactions of the PD members. As manifestations of culture, this data will support or refute findings of the interviews, and provide contextualisation. 3. Material manifestations. To collect a) data that may reveal categories among participants, supporting or refuting existence of subcultural groups and b) data relating to cultural communication patterns.
5. The criteria for interpreting the data	Content analysis of three data sources to reveal patterns of interaction, communication and behaviours that emerge to show the existence of subcultural groups within the PD, and possible differences between the groups

### **3.2.2 The case study protocol.**

To overcome accusations of poor research methods - specifically those related to reliability and validity - a case study protocol was used to guide the data collection and analysis processes. The case study protocol detailed the research instruments to be used, as well as the procedures and general rules to be followed in carrying out the research and the data analysis. Yin's (2009) recommendation to create a case study data base was also adhered to. The data base comprised all case study notes from the field work collection forms, case study documents, tabular materials (collected & created), and the transcribed narratives collected during the interview phase. The data base provided

both a chain of evidence and, a presentable format from which others can review the evidence and an evidential link between the initial study questions and case study procedure.

### ***3.2.2.1 Ethical considerations.***

The researcher was bound by the Massey University *Code of ethical conduct for research, teaching and evaluations involving human participants* (2009). As the research was considered low risk, the application was made and written approval was received on 11 June 2009 (see Appendix 3, p. 147). To ensure all the ethical requirements of the code were met a number of procedures were followed, and are described in Appendix 4 (p. 151). The process recognised the need for respect for privacy and confidentiality along with informed and voluntary consent, illustrated in the invitation to participate, signed by the director of the PD and the researcher and sent to all staff of the directorate (Appendix 5, p. 152). To protect the privacy of participants in this research the organisation is identified using a pseudonym (ZAOC), operating units identified using codes (PD1, PD2, PD3, PD4(m) and PD4(c)), and individual participants identified by a randomly assigned alpha/numeric code (P. 1 - P. 15). The alpha P represented the label 'participant' and the numeric '1' through '13' represented the number allocated to the transcripts of PD members who participated in the interviews. In preparation for the data collection stage an interview participant information sheet, to meet the *Code of ethical conduct* guidelines (Appendix 6, p. 156) and an interview record sheet (Appendix 7, p. 160) were prepared.

To satisfy ethical considerations interviews were conducted on a one-to-one basis, with only the participant and researcher present. All interviews were, with the

interviewee's permission, recorded electronically and later transcribed by the researcher. All data was locked securely at the researcher's home and tapes and transcribed interviews were destroyed once the data had been transferred to a secure case study data base.

### **3.3 Sources of data**

The research design integrated the use of three data sources - interviews, observation and material manifestations. The way in which these methods were assimilated into the study is summarised in Appendix 8 (see p. 161) while the following sections describe the way in which a research protocol was developed in respect of each method to ensure a consistent and systematic approach to the data collection process.

#### **3.3.1 The interview.**

In order to address the research questions it was important to capture subcultural data, including 'how things are done around here'. Thus, lines of questioning asked about the type of work done, communication networks, and perceptions about what things make the directorate unique from other departments and within the organisation as a whole. Although not viewed as essential to the interview method (Veal, 2005) a pilot test was conducted to identify any issues.

##### ***3.3.1.1 Pilot test.***

To be confident of all aspects relating to the interview process, two test participants - a native Norwegian speaker and a native English speaker - participated in pilot interviews to collect verbal feedback about question structure and clarity (for instance the use of unfamiliar phrases), the sequence of questions, and linguistic issues

for native Norwegian speaker participants. When both pilot interviews were concluded the interview questions were revised in line with the feedback received, and reviewed by the researcher's supervisor. The supervisor's feedback was also incorporated and the semi-structured interview questions format finalised (Appendix 9, p. 162). Feedback from the two pilot interviewees suggested there could be some issues surrounding comprehension of the questions and articulation of responses.

To address these issues the duration of each interview during the data collection phase was increased from 40 minutes to 45 minutes to allow the researcher more time when asking the questions, and to allow the participants' plenty of time to compose their responses,

### **3.3.2 Direct observation.**

A ten-step framework (Veal, 2005) guided the direct observation procedures (Appendix 10, p.165) and formed part of the research protocol. A fieldwork sheet - observations, to record data in a systematic and consistent manner was prepared, and a representative sample of data collected in this format is shown at Appendix 11 (see p. 166). Once collected, this data would be recorded and form part of the case study data base.

Six observation sites were identified: three inside or adjacent to the PD and three in the wider office environment. These sites were selected because they were high traffic areas or because the researcher could observe activity and interactions unobtrusively. These locations are noted in Appendix 10 (see p. 165).

### **3.3.3 Material manifestations.**

Following Veal's (2005) direct observation framework as a guide, a six-step procedure was developed to ensure the systematic collection of material manifestations (Appendix 12, p. 167) and this formed part of the case study protocol. A fieldwork sheet - material manifestations was prepared (a sample is shown in Appendix 13, p. 168). This data would also form part of the case study data base.

A number of specific manifestations were identified as important in order to provide data to fully address the research questions. Documents pertaining to both the PD and the wider organisation were collected, and are detailed in Appendix 12 (see p. 167) provided valuable insight into what their organisation considers important. However, because of the potential volume of data these documents could generate (for example, the PD Contracts administration manual comprises over 400 pages) a decision was made to only record titles, headings and sub-headings.

Second, the physical layout of the building as a whole was identified as important. Thus, at the PD level, office layout, the style of fixtures and fittings, amount and type of personal items, and idiosyncratic details were recorded. At organisational level areas including the canteen and its menus, the coffee bars, the gymnasium and the reception area were of interest.

## **3.4 Data collection**

The data was collected over a three week period during November and December 2009, and the researcher visited the ZAOC Norge office on 12 separate occasions. Visits usually started at 09.00 and finished at 16.00, coinciding with ZAOC



Norge core hours of 10.00-15.00. Data collection comprised three phases, with these phases being conducted concurrently.

Phase one was the collection of interview data from 13 PD members who agreed to participate in this research. The interviews were conducted in a variety of locations, including individual offices, the PD guest office and legal department library. Participants were given an information sheet (Appendix 6, p. 156). All 13 interviews were recorded with the subjects' permission and an interview record sheet (Appendix 7, p. 160) completed. All but one interview (P. 8) lasted longer than the scheduled 45 minutes.

Phase two, the collection of observational data was conducted unobtrusively at different times of the day from a variety of locations (reception - six occasions; coffee bar - eight occasions; canteen - four occasions, all at lunchtime; two early (11.15) and two late (12.45); the PD sofa - eight occasions and the PD kitchen - eight occasions; and PD2 portacabin - two occasions). The duration of each session varied from one to six hours. During this phase, the day-to-day activities of the subjects under investigation were recorded. Detailed descriptions of PD members' physical actions and interactions, non-verbal behaviours (such as body language and tone of voice), the enactment of activities and proxemics were compiled.

From the sofa area it was possible to view traffic between 16 of the PD offices (the exceptions were offices of the director, the administration assistant, and the two PD1 offices). Data collected at this location included the frequency of inter-office visits: the time of the visit; who was visiting whom; were they alone or accompanied by another PD member or a non-PD member; what they were carrying; the duration of the visit; whether the visitor returned to their own office or went to another location inside

or out of the PD, and any other noteworthy information. Over the course of eight observations at this location a number of patterns of behaviour and interaction began to emerge. For example, at 2pm the majority of PD staff stopped by the kitchen, made a drink and then gathered at the sofa area for 10 to 15 minutes; if the group was large (more than 20 people) smaller groups would disperse into individual offices. Conversely, little data was collected from the portacabin session. Individuals of PD2, who used this location, remained in their offices, and few interactions or activities were noted.

The third phase, collecting material manifestations, was conducted in two parts. First the researcher spent 4 hours walking around the building (where access had been allowed) with a clipboard recording a wide range of data relating to the condition of buildings, the canteen, locations of coffee stations and smoking areas, entrance and egress points, the Public Relations department, the pool and gymnasium area. On one occasion the researcher accompanied the administration assistant to the directors' suite and the adjacent operations control room. Extensive notes were made on the researchers return to the PD, as it was not appropriate to take notes during this visit. On another occasion, data pertaining to the PD offices were gathered, including information regarding the design of work spaces, quality of fixtures and fittings, decorative items, personal items, tidiness of work areas and visible documents. The second part of this phase involved collecting of a range of published documents (see Appendix 12, p. 167).

### **3.4.1 Study participants.**

A total of 13 PD members, from a possible total of 43 based within the ZAOC Norge office, responded positively to the invitation to participate in interviews. A

summary of the distribution of interview volunteers from the PD is presented in table 2, below.

**Table 2 Distribution of interview subjects by department**

Department	Total employees	Number of participants	Percentage
PD1	5	1	20%
PD3	9	2	22%
PD2	12	2	16%
PD4(m) (materials)	9 (includes PD4 function head)	3	33%
PD4(c) contracts	8	4	50%
PD Administration	2	1	50%
Total	45	13	29%

Of the interview participants six were female (40% of participants) and seven were male (60% of participants). Mean length of service was 15.75 years with a range of 36 years to almost 2 years (as shown in table 3 below). Other demographic data collected from the participants, and the code used to identify their contribution in the thesis is presented in table 3.

**Table 3 Participant codes, department and demographic data**

Code	Gender	Age range in years	Department	Total years worked	Status
P1	F	31-40	PD3	9yrs	Fulltime
P2	M	51-60	PD4(materials)	35yrs	Fulltime
P3	M	31-40	PD3	4yrs	Fulltime
P4	F	41-50	PD4(contracts)	19yrs	Fulltime
P5	M	41-50	PD2	1yr	Fulltime

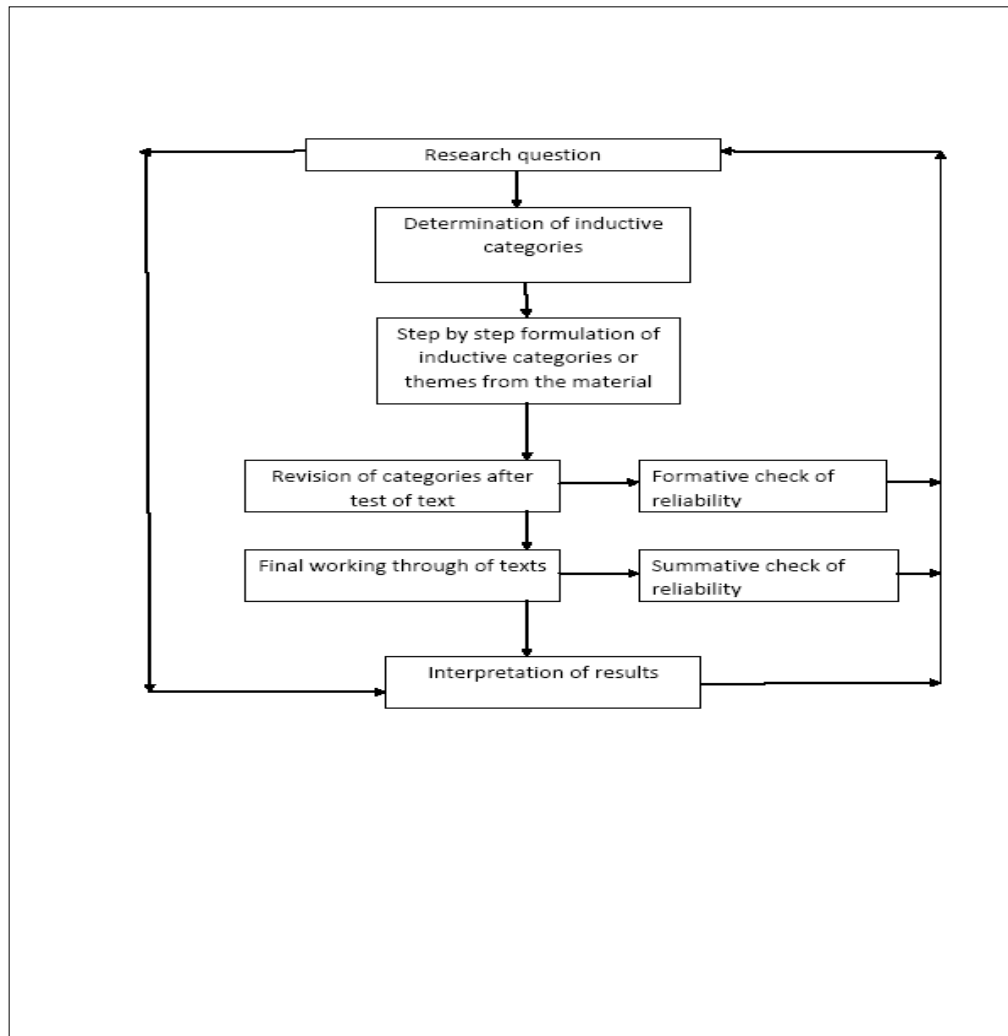
P6	M	41-50	PD2	18yrs	Fulltime
P7	M	21-30	PD4(contracts)	3yrs	Fulltime
P8	F	41-50	PD4(materials)	28yrs	Fulltime
P9	F	51-60	PD4(materials)	33yrs	Fulltime
P10	M	41-50	PD1	4yrs	Fulltime
P11	M	21-30	PD4(contracts)	1.5yrs	Fulltime
P12	F	51-60	PD4(contracts)	36yrs	Fulltime
P13	F	41-50	ADMIN	13.5yrs	Fulltime

Adhering to the case study protocol, each interview was transcribed verbatim using pen and paper in the first instance. This was completed by the researcher only (to protect the identity of the participants) and enabled the investigator to fully engage with the data. Once all interviews were transcribed the narratives were entered into EXCEL spreadsheets, together with all the recorded data from both the fieldwork sheets - observation and fieldwork sheets - manifestation. These three spreadsheets formed the case study data base, as recommended by Yin (2009), to provide evidence of the data collection procedures and practices on the basis of the protocol, and to store the data to make it available for later checks should they be necessary.

### **3.4 Content analysis**

Content analysis techniques were adopted to reduce the data to emergent themes and patterns from which inferences about the phenomenon under investigation could be made. For inductive research such as this the process advocated by Mayring (2000) was adhered to. The process is summarised diagrammatically below (figure 1) and formed part of the case study protocol.

**Figure 1 Content analysis procedure (Mayring, 2000)**



Consistent with inductive research categories were determined as an iterative process and close to the material, but also incorporated theoretically derived themes directly linked to the literature with the process oriented toward reductive category formulation. A coding system categorised the data into clusters by identifying repeating ideas, such as the same words and phrases being used by different participants to express the same or a similar thought or behaviour. As the researcher engaged with the data in the early stages of the process words and phrases used by participants to describe the workplace environment were noted. The codes were revised and refined to reflect

the participants' unique perspectives. Each cluster was assigned a deductively derived categorisation which captured the nature of the content. Some labels were consistent with theoretical perspectives identified from the literature but others emerged as a result of the inductive nature of the process. Connections were developed between clusters of themes and the focus gradually narrowed to reveal the subcultures central to this study. As an iterative process, the researcher consistently referred back to the literature to ascertain whether themes apparent in prior research were appearing in this data, but at the same time remained open to emerging themes in order to comprehensively address the research questions.

Finally, the codes and resulting categories were sorted in a way that linked and connected them, reducing the data to 13 meaningful themes: communication networks; informal communication; benefits; the women; national culture; bureaucracy; affiliation with organisation; issues; HSE; positive contribution to society; good organisation to work for; and support and respectfulness. Appendix 14 (see p. 169) provides a sample of the process in respect of some themes that emerged. To ensure content validity the process and emergent themes were then reviewed by two senior Massey University academics.

Of the categories that emerged some, such as the orientation to HSE and the presence of informal communication channels were anticipated. Others, such the existence of a strong masculine hegemonic, and occupational or professional cultures were absent, and still others, such as 'the women' and the high level of organisational affiliation, emerged unexpectedly.

The themes that emerged from of the content analysis process were compared and contrasted with the raw data that was collected as part of the observation and

material manifestations procedures. For example, one of the emergent themes revealed high levels of informal communication occurred among PD members. However, this informal communication occurred in a variety of ways. Direct observation provided data to show that first, female PD members spent a good deal of their day visiting each others' offices but males were not observed to enact this behaviour; and second, several institutionalised informal communication channels such as the 2 o'clock ritual attracted participants from across three operating units at the location but not members of PD1. These and other strands of information suggested the different enactments of informal communication could indicate different groups existed in the PD. From here, other observational data relating to the women were scrutinised to elucidate patterns of behaviours typical to them alone. In turn this provided evidence to suggest that a distinctive subcultural group did exist. A similar process was applied to other face-to-face communication channels which revealed that the women who were part of the gender group were also participants of the 2 o'clock ritual, a conduit maintained by a larger group made of both male and female members of three operating units in this location but not members of PD1.

### **3.4 Limitations**

There are several limitations noted in this research. First, of the size of the PD in relation to the organisation as a whole (significantly less than 1%), and the small number of participants whose contributions represent the results of this study, requires that a cautious approach be adopted when attempting to make any inferences with respect to the wider organisation or the concept of organisational subcultures. Second, narrative studies such as this are noted for their lack of replicability. This is addressed to

some extent by the development of and adherence to a comprehensive and detailed research protocol. The adoption of a case study protocol provided guidelines for systematic and consistent data collection and data analysis processes, as well as the use of a case study data base to maintain a chain of evidence.

Third the interview itself, as a data collection technique, has inherent limitations: on the one hand participants manifest social desirability tendencies, responding to questions based on what they perceive the interviewer wants to hear, rather than how they really feel about the question, so they are seen in a positive light or they temper their responses in order to maintain their anonymity; on the other hand, where all participants are volunteers, there is the possibility that the data may be skewed by response bias. That is, those who come forward in a voluntary capacity do so because they have a very positive or very negative stance regarding some aspect of the research, and this motivates their participation. These tendencies were offset by the use of one or more data collection methods being integrated into a single study. For example analysis of observational data provided confirming evidence of the non-participation of PD1 members in the social activities of the wider directorate, which emerged from the analysis of narrative data.

There are also concerns about the breadth of data in relation to PD2. Despite collecting interview data from two members of this group it was not possible to observe members of this operating unit in their usual working environment. As project workers, they were based at the lead contractor's site, visiting the ZAOC Norge office only when necessary, and using guest offices (located in a portacabin) while present. Therefore, there is little observational data, and no material manifestation data.



Other concerns focused on “sloppy” techniques (Yin, 2009). These fell into two distinct areas; the handling of the data and researcher objectivity and bias, and are concerns valid in all research. However, they are more pronounced in quantitative studies where subjective criteria are applied to the data. To overcome these limitations a robust case study protocol was adhered to, which systematically and consistently proceduralised and recorded the methods and methods adopted. Concerns about the researcher’s objectivity and bias are not so easily dealt with. The researcher’s personal demographic, including gender, nationality, age and education all affect the ability to access data and interpret it, particularly relevant during the observation phase of interpreting the behaviours, interactions and events witnessed with reference to their own cultural environment and at the content analyses stage where subjective meanings internalised by the researcher may suppress or obstruct the emergence of the themes and clusters that are salient to the research. To address these limitations, unobtrusive, consistent and careful and note taking during the data collection phase, the use of verbatim quotes from participants, and the use of authorised organisational documents, which formed part of the research protocol were rigorously adhered to (Appendices 10 and 12, see p. 165 and p. 167).

Finally, it takes time to build trust with participants that facilitates full and honest self-representation. Research projects such as this are at a particular disadvantage where trust building is concerned. However, this did not appear to be a particular concern with this research as a result of the trusting nature of the Norwegian participants themselves. For example during the data collection one participant left a wallet containing 12,000 NOK (NZ\$ 2593) on his desk for an entire working day. When questioned about it later he replied “we are trusting, we believe people are good and

have honest motives”. The researcher believes this sentiment was extended to the interview process where participants openly and candidly responded to the lines of questioning.

### **3.5 Conclusions**

This chapter presented the case study method including the research design and data collection and analysis methods used to address the research questions. Integrating Yin’s (2009) recommendations for the conduct of a case study, this research developed a case study protocol to guide the data collection and analysis processes and procedures. The adoption of such a protocol is, at the same time, important to increasing the rigorousness of qualitative research such as this which is susceptible to criticism of poor research techniques. Data relating to the participants, and the way in which material manifestations and observations were carried out is detailed, as is the treatment of the collected data using a content analysis method. The chapter concludes with the limitations that are noted in respect of this research.

## Chapter 4: Results

The previous chapter presented the case study methods, including the data collection and data analysis techniques. Interviews, observation and material manifestations provided data pertaining to the cultural milieu at ZAOC Norge. This data was subject to content analysis in order to reduce it and identify emergent themes. These themes were both informed by the literature and inductively derived from the data itself. This chapter presents the results of the study as they address the research questions:

1. Do clearly identifiable subcultures exist within the PD of this organisation?
2. If so, what are the differences between the subcultural groups?
3. What is the influence of these subcultural groups?

Initial appraisal of the data hinted at the existence of subcultural groups. The earliest interpretations of the data appeared to show that these groups were bounded within operating units, a common delineation of subcultures. However, the inductive approach adopted by this research provided data that revealed, for example that while subculture 1 (SC1) does contain all members of a single department a subculture has emerged among the members of PD1 based on a need to defend and mediate their own particular interests. Each identifiable group was similarly able to be defined in terms of its emergence and its membership boundaries, as well as by the cultural manifestations that communicate and maintain the group's existence. The iterative process of content analysis allowed for the data to be revisited and this detailed analysis and reanalysis elucidated how each identified group is unique, and where the subcultures sometimes overlap with or, conversely, diverge from one another.

The data reveals that the Procurement Directorate (PD) supports at least four distinguishable subcultural groups, labelled as follows:

- Subculture 1 (SC1- success/survival subculture) - an issue-based subculture that is emerging among the members of a single operating unit (PD1).
- Subculture 2 (SC2 - expatriate subculture) - emerged from a common unifying characteristic (being non-Norwegian) and maintained through ambiguities associated with living and working in a foreign country. The group includes members from several operating units but is on the verge of extinction. However, the group's influence continues to resonate within the wider PD.
- Subculture 3 (SC3 - affiliation subculture) - a highly developed issue-based subculture which includes members of several different operating units.
- Subculture 4 (SC4 - gender subculture) - a well developed subculture based on a unifying characteristic (gender) with members drawn from several different operating units.

While it is beyond the scope of this study to describe in depth the organisational culture of ZAOC Norge, it is possible to make a number of observations about the cultural environment that contextualised this research. Defining elements of the overarching organisational culture revealed are described first, followed by the results as they relate to each of the identifiable subcultural groups.

## **4.1 Organisational culture**

As described earlier, Company Z and Company A embraced the strong culture paradigm espoused in the 1990s in order to create a single overarching culture shared by all organisational members. This in turn, was presumed to lead to potential benefits - specifically, enhanced performance. Since the merger in 2002, ZAOC Norge has invested considerable money into supporting the creation of a strong overarching culture, and continues today to judge the adoption of this paradigm as a primary part of its success (S. N., personal communication, April 2009).

The following artifacts serve to provide some insight into what is important to the overarching organisation, driving the organisational culture at ZAOC Norge, and influencing the cultural milieu of the PD.

### **4.1.1 Health, safety and environment (HSE).**

As an operator on the Norwegian Continental Shelf, ZAOC Norge takes safety seriously, as required by the Petroleum Safety Authority Norway (PSAN). Lack of attention to safety issues by oil companies has resulted in incidents such as BP in the Gulf of Mexico, Exxon Valdez and the Piper Alpha accident. PSAN does not go as far as defining a HSE culture. However, their framework extends to cover off-shore safety, as well as occupational health (individual health, well-being and psychosocial working environment), and the wider environment, such as preserving biological diversity and keeping emissions and discharges at low levels (Høivik et al., 2009). This framework affects every operational aspect of the organisation.

#### ***4.1.1.1 Safety.***

In order to meet PSAN requirements, ZAOC Norge proactively promotes safety through a wide range of artifacts. These artifacts communicate behavioural expectations for directly employed staff, contractors, suppliers and visitors, and their messages are conspicuous throughout the organisation. For example:

- The “Zero injuries, occupational illness and accidents” slogan features prominently on the organisation’s website, and on all company literature.
- Videos communicate and reinforce safety messages. The ZAOC Norge foyer is dominated by a television screen which streams the safety message video of the month (i. e., November 2009 - safe driving practices; December 2009 - safe alcohol consumption).
- Safety posters dominate wall space in public areas. The 2009 theme is Individual Responsibility.
- The opening remarks in the 2008 annual report state “2008 was a very good year with respect to safety - in fact the safest year since we started production on the Norwegian shelf”.
- The ZAOC Norge newsletter, published four to six times a year, devotes around 50% of the available space to stories highlighting HSE issues. For example:
  - Vol 1/2009 - six of 20 articles (5.5 of 13 pages);
  - Vol 2/2009 - seven of 21 articles (7 of 15 pages);
  - Vol 3/2009 - 13 of 24 articles (8 of 13 pages).

#### ***4.1.1.2 Health.***

As well as a proactive strategy toward safety, ZAOC Norge also promotes healthy lifestyle strategies. For example, each year the organisation sponsors a health challenge. The current challenge is designed to attune employees to their own positive emotions to benefit “from the most well-known and substantiated effects of positive emotions...better health, improved problem solving abilities, better relationships and a more robust mental health” (internal communication, October 2008). Over 650 people have signed up to participate in this initiative.

Other artifacts that reinforce the organisations orientation to health include:

- An active sports and social club;
- A fully-equipped fitness facility and trainer on site;
- A swimming pool (open 24/7 for employees and their families);
- An on-site canteen offering high quality and healthy food options;
- Bicycle sheds with clothes drying rooms;
- Occupational health service - two full-time doctors, four nurses, two occupational health technicians and two full-time counsellors. In addition a confidential external counselling service is available;
- High standard office furniture and fittings. Fully adjustable desks with sit and stand options. Ergonomically designed chairs properly adjusted by an occupational health technician to ‘fit’ each individual (P. 1).

The attention the organisation pays to staff welfare is reinforced through the behaviours of senior managers. For example, four participants mentioned that the CEO

and five other director-level staff work out in the gym on a daily basis, participate in health challenges and are members of the sports and social club.

Safety underpins every activity that the organisation, employees, contractors and visitors engage in:

“It is because of the leadership. It comes from the management; they work hard to communicate how, what they want” (P. 13).

As this representative comment suggests, through the development and enactment of proactive HSE initiatives, ZAOC Norge has generated and maintains a safety culture which is successfully communicated to its members through a range of material manifestations and behaviours.

#### **4.1.2 Organisational structure.**

Rules and regulations, policies and procedures, structure and hierarchy are highly evident at all organisational levels. At operating unit level (PD1 excepted) electronic and print versions of technical and procedural manuals have been developed to guide every step of the procurement function. One, *Contract administration*, used by both PD4(m) and PD4(c), runs to over 400 pages. It is so detailed as to prescribe the ink colour that must be used when signing contracts. At directorate level, print versions of guidelines, such as *The importance of completed staff work*, *Contract authority limitations and purchase decisions* and the *Critical operating tasks* poster dominate public areas and individual offices. At the organisational level, there are handbooks and guidelines that detail the processes to be followed for most organisational activities. For example, new staff sign-on procedure (97 pages), sign-off procedure (60 pages), how to



apply for a company subsidised mortgage (46 pages) and *Code of business ethics and conduct* (27 pages) are just four that are relevant to the PD members at various times during their employment.

The organisation reiterates its bureaucratic orientation on the company computer screen savers which depict images of the CEO and ZAOC Norge directors. The message this communicates reinforces the notion that position and responsibility are important at here.

### **4.1.3 Monetary and career issues.**

Seven of the participants stated that the organisation is well known in Stavanger as “a very good company to work for”. Not only does ZAOC Norge pay employees a better than average salary, and provide a wide range of financial benefits, they also offer the potential for long and rewarding careers and the possibility of working at ZAOC offices in other locations. These factors appear to influence employees’ perceptions of the organisation.

#### ***4.1.3.1 Compensation and benefits.***

To attract high calibre staff oil companies have traditionally paid their staff above average compensation packages (S. N., personal communication, April 2009). While it is not possible to access details of salary levels nor make comparisons across industry norms, there is universal acknowledgment among participants of this study of the important role of this factor in attracting and retaining staff. As one noted:

“I think, in general [pause] um [pause] energy companies, oil companies, have always given good income, high income, if I can say that. Yes, they pay well” (P. 4).

Higher than average salaries are supplemented by a comprehensive range of tax-free and heavily subsidised benefits, including generous non-contributory pension schemes, subsidised mortgages and interest-free car loans. The company also owns nine hyttes (rental cabins), which staff can rent at well below market rates, provides subsidised on-site crèche facilities for 46 children, a heavily subsidised canteen, fitness facilities, and bus transport to and from work. The majority of participants agreed with P. 13, who commented:

“The whole package is good for me. It is very satisfying” (P. 13).

#### ***4.1.3.2 Long-term career prospects.***

As well as these extrinsic benefits, ZAOC Norge is recognised for its training and career-development programmes. For example, the annual Graduate Intake Programme recruited 47 new graduates from a range of disciplines in 2009 (P. 11 was accepted into this programme in 2008). As well, all staff are entitled to attend at least one formal training course per year, are encouraged (at the company’s expense) to gain formal qualifications and to participate in in-house training as appropriate (S. N., personal communication, April 2009). The PD also offers a range of on-the-job training initiatives and learning opportunities. Internally provided training includes quarterly departmental “lunch and learn” forums. These are catered lunches held in the PD conference room. Participants described the organisation’s approach to training and development in positive terms:

“I’d heard really good things about the training programmes” (P. 11).

“They give you the possibility to go off to courses, they want you to learn  
[pause] um [pause] it is a great place for this” (P. 9).

Moreover, there is a belief among participants that the organisation would provide long-term, secure and satisfying employment. The longevity and maturing life cycle of existing fields are perceived to create career opportunities that may not be associated with other oil companies operating in the NS, or indeed other sectors. As participants noted:

“You know [ZAOC Norge’s biggest field] is going to be here for years and years and years and there will be so many different challenges throughout that time” (P. 1).

“You can have a really good career within the company. You would maybe have to go to 10 different companies to get something like that outside of ZAOC” (P. 11).

While the foregoing reveals something of the important dimensions of the overarching organisational culture, the following sections present the results in relation to each of the identifiable subcultural groups.

#### **4.2 SC1 – The survival/success subculture**

It was possible, from the insightful comments made by the single contribution from a member of PD1, as well as data collected from observations and material manifestations, to make some interpretations of the cultural milieu of this operating unit. PD1 is relatively new, being formed within the past two years. Initially, it had a staff of two, but building on their early success now has a staff of five, with the most recent appointment being made less than six months ago. The department was established to analyse global purchasing trends in order to identify potential cost

savings to the organisation. It is described as strategic and externally focused (P. 10), in contrast to the other PD units which are operational and internally focused.

#### **4.2.1 Emergence of SC1.**

Meaningful differences between the members of PD1 and others who share the same location seem to weigh against the possibility of PD1 members joining other subcultural groups that already exist. As an all male group they are excluded from SC4; as they are all Norwegians they are excluded from SC2; and as relatively new recruits to the organisation they have yet to develop the affiliation of SC3 members. Despite departments PD1, PD3, PD4(c) and PD4(m) sharing the same physical location, members of SC1 appear to have little regular or systematic contact with other PD colleagues. For example, during the observation phase of this research, no-one other than the researcher and the administration assistant were seen to visit the PD1 end of the corridor. Yet PD1 members do not appear to be excluded from joining other subcultural groups that exist within the PD, and it may be the case that they have consciously avoided becoming part of these groups in the absence of a common unifying characteristic. As an informant from another operating unit explained:

“I would say we are very separate from them because of the different kind of work we do. Yeah [pause] I am not sure about what they are actually doing [pause] I am not involved with them. They are just a group at the end of the corridor” (P. 7).

Moreover, the data showed PD1 members were not evolving a subculture formed around a unifying social characteristic, such as occupation, department or task which are identified in the literature as common bases for the emergence for

subcultures. Several strands of evidence emerge support this assertion. First, team members are educationally and occupationally heterogeneous with diverse backgrounds, ranging from a bank-trained economist with a PhD to a graduate engineer from the construction industry (P. 10). None has a professional procurement background. These factors preclude the likelihood of a subcultural group emerging from an educational or occupational basis. Second, there was no data to show a subculture forming as the result of common tasks. Working with a diverse range of internal and external contacts, and focusing on different procurement categories and geographic regions, they shared few common functions (P. 10).

Third, there is no data to support that the group was forming as a gender-based subculture, despite all five of the operating unit members being males in their 30s. While they restricted face-to-face interactions to among themselves, they did not appear to have formed meaningful relationships with each other either, manifest in behaviours such as taking coffee breaks and lunch at different times rather than together as a group, and sharing very few out-of-hours activities (P. 10). This is likely the result of the task, educational and occupational background differences of each of the PD1 members, and compounded by short time they have spent working together in the unit.

Some evidence emerged to support the notion that this group is evolving on the basis of a shared or common issue. The unit's remit, that of strategic sourcing, represents a new approach to addressing the problems associated with global procurement. PD1 is piloting this approach on behalf of the wider organisation, and as one respondent perceived, they were constantly under the microscope of ZAOC Norge and the organisation's global procurement network, to not only develop, but also to deliver, a new model for strategically-focused procurement:

“I think we are exposed to the fact that we need to prove ourselves in order to succeed. We established this department two years ago, and if you look at our objectives it is very much to prove that this is the right way forward” (P. 10).

This represents a serious challenge for the team, and places them under a great deal of pressure to deliver meaningful cost benefits to the organisation or risk being labelled a failure and disbanded. Maintaining the integrity of the new operating unit, to ensure its continued success and its staff's continued employment, is a serious concern and at the heart of the issue which has led to the emergence of this subculture. In order to defend their interests, members of this group appear to have developed a number of artifacts that, on the one hand, further reinforce differences with others within the PD, while on the other support a culture that is based on preserving their operating unit. These manifestations are described below.

#### **4.2.2 Physical manifestations of SC1.**

The members of PD1 occupy two adjacent offices, with the department head based in one and the remaining four members of the team in the other. There is little traffic near their offices, as it is located at the end of a long corridor and well away from the public areas in the directorate.

Similar to other offices within the PD the desks are devoid of personal items while the walls are adorned with the ZAOC Norge safety-themed calendar and the current NS licence map. Several artifacts typically found in other PD offices are absent, including the *Critical operating tasks* poster (observed in 20 of 21 PD offices); *The importance of completed work*, a pamphlet distributed by the director to all members of

the department in July 2009 (S. N., personal communication, December 2009) and seen 15 of the 21 other PD offices, and ZAOC Norge paraphernalia and memorabilia. The absence of these artifacts may be attributable to the strategic and non-routine nature of PD1 tasks, in contrast to the bureaucratic nature of the work in PD3, PD4(m) and PD4(c). The absence of frivolous items such as company memorabilia may be construed as reinforcing the seriousness of this groups remit.

PD1 was under pressure to “prove themselves in extremely difficult economic times” and thus ensure the unit’s continued existence (P. 10). To do this, team members enact a number of behaviours the research identified as unique to them. First, they avoid the social activities that dominate the working day of other PD members. Second, they accept overtime as an essential part of their working life; while they start work at around the same time as other PD members, they frequently - up to three or four times a week - stay later to liaise with Aberdeen (1 hour behind Norway time) and Houston (7 hours behind Norway time) (P. 10). The notion of overtime is not one that Norwegians generally support:

“We don't have a general culture for working very much overtime, you know, working late. But they [indicating down corridor toward PD1] they are always last to leave” (P. 3).

“[Overtime] it is not expected. It’s like you come in and do a good job within your core hours and then you go home. The only people who stay are the new expatriates and them [PD1]. It’s a bit crazy really, because, like, it’s not expected at all” (P. 1).

There do appear to be a number of strong and compelling reasons that underpin the development of SC1. These include a commitment to working overtime; their reluctance to engage in face-to-face communication outside the team; the absence of frivolous organisational memorabilia; and the absence of important directorate publications. Additionally, task and background differences further contribute to distancing PD1 members from other members of the directorate. At the same time, these artifacts are sufficiently divergent to differentiate this nascent subcultural group from the others revealed within the PD. While these are undoubtedly not the only manifestations of culture that define this emerging group, they are the most significant revealed from the limited data extracted relating to PD1 and this subculture. This group appears to be consciously evolving a unique subculture to ensure the long-term survival of their department. The group's manifestations serve to reinforce the serious nature of their work and in turn ensure they build on and exceed their early successes.

#### **4.3 SC2 – The expatriate subculture**

An unexpected result of this research is the existence of a well-developed and influential expatriate subculture. This group emerged from the common unifying characteristic of being a non-Norwegian. However, as the final two expatriates were about to leave the directorate at the time of this study, the subcultural group as an entity is on the verge of extinction. The findings in this section are predominantly based on interview data from a single expatriate contributor and local participants; very few material manifestations of the group remained, and the collection of meaningful observation data was impossible, with neither of the two remaining PD expatriates physically at their desks. Nonetheless, it is posited here that the existence of this group



will continue to be significant among the remaining directorate members after the last expatriate departs. Therefore, it is an important adjunct to this study.

Expatriates play an important role in international oil companies, with staff being transferred between international offices to develop new skills, and provide technical expertise where none is available locally. At the end of 2008 there were 100 expatriates working at ZAOC Norge, representing almost 6% of the total workforce of 1850, while 52 Norwegians were employed at other ZAOC Inc locations. As recently as January 2009 there were at least eight expatriates working in the PD (four in PD2, two in PD3 and one each in PD4(m) and PD4(c)). Anecdotal data suggests that gender is not a bar to well-qualified candidates being selected, and within procurement those selected for expatriate assignments are as likely to be female as male. Other data that could have been used to define this subcultural group in greater depth was not available but would add value to future research in an area highly relevant to a globalised environment.

#### **4.3.1 Emergence of SC2.**

While being non-Norwegian appears to be the catalyst for the emergence of this group, the additional challenges associated with moving to, and working in, a foreign country has created meaningful shared experiences that further differentiate expatriates from local staff (P. 1). This can be illustrated with regard to working hours. As explained earlier there is no tradition of, or expectation to, work overtime in Norwegian organisations. Indeed ZAOC Norge discourages long working days with, for example, the provision of scheduled transport to and from work. ZAOC Norge busses arrive at 8am and depart at 4pm daily, and it was observed that the office car park is empty at 4.15pm. This is in contrast to the situation in Aberdeen and Houston, where 10 to 12

hour working days are the norm (P. 1). Moreover, the notion of long hours in order to get ahead is one deeply ingrained in the professional work ethic of America and the United Kingdom. To arrive in an environment where the need to work overtime is perceived as a weakness, rather than a strength, is “deeply confusing” (P. 1), while the presence of a group within the PD that engages in this type of behaviour (SC1) has only served to add to an already ambiguous context. As one participant shared:

They [the expatriates] feel they have to stay but after a few years they begin to realise it doesn't count for anything here. Only maybe that they are not very good at doing their job. And I guess that's a whole different culture between them and Norwegians” (P. 7).

Language is another area that creates ambiguity for the expatriate. Being an international company, and operating in an industry where English is the dominant business language, all ZAOC Inc staff are expected to be proficient English language speakers (S. N., personal communication, November 2009). Yet there is some debate among participants in this research about what the official spoken language is within ZAOC Norge. Most thought Norwegian (9 informants), while some thought English (2 informants) and two informants were unsure, as the following comment illustrates:

“I would say it's Norwegian. All the written stuff is in English and all the contracts and so on. There can be emails flying around that are both Norwegian and English but I think that the official company language is English” (P. 6).

“Anybody will tell you that it is English but let me tell you I made a decision this morning not to go to a meeting because I thought I’ll be the only expat there, so they’ll have it in Norwegian” (P. 1).

#### **4.3.2 Influence of SC2.**

The presence of high levels of ambiguity surrounding many everyday activities in the work environment, such as hours and language, appears to reinforce and maintain the existence of this group who otherwise share little, other than being foreigners living and working together in an unfamiliar cultural environment. However, the existence of such this group is revealed to have a significant effect on non-members within the PD. This was illustrated by contributions from the Norwegian members of the directorate and focused on three aspects: first, regular exposure to English language speakers and their cultures; second, the importation of professional skills and knowledge; and finally, the effects of foreign nationals on the image of ZAOC Norge as an international organisation with a global outlook. These are described below.

##### ***4.3.2.1 Language and culture.***

Having a group of English language speakers working within the PD is seen as an asset, compelling Norwegian speakers to converse in English with their expatriate colleagues in both one-to-one interactions, and meetings. As the following contributions show, the Norwegian PD staff perceived the expatriates had a great deal to offer the department:

“Well, what I like about having expatriates here is that you can speak English. We use English for all the written language, documents, emails

and so on [pause] yes [pause] we use a lot of English. But to speak it, you know, it is very good to have expatriates around” (P. 12).

“I need to feel confident working around expatriates. They are often my [internal] customers and [external] suppliers. I have to speak good English and understand something about how they work. Working with them in this department is the best way to understand them” (P. 9).

“[expatriates] bring a richness. I can see the other culture and get to really understand why they are doing things like I wouldn't necessarily do things” (P. 2).

Without the departure of the last expatriates from the PD, the local Norwegians perceived their language competency would decline and they would be unable to confidently fulfill their roles as service providers to internal customers/clients and external suppliers/contractors. Moreover, the constant contact with English speakers (most likely Americans, Australians, Scots and the English) provided opportunities to learn about and understand others' cultures.

#### ***4.3.2.2 Exposure to new skills.***

Respondents also commented that expatriates brought with them functional knowledge and skills, as well as novel approaches to procurement tasks. Nine of the 13 participants expressed their concern that this valuable source of work-related information was being removed, as the following comment illustrates:

“You learn new things [from the expatriates]. Some people from Australia came here, and we have learned how to BBQ properly [laugh]. No, many work things too” (P. 4).

This is particularly salient given that so much of the procurement training in Norway is internal or on-the-job rather than externally provided through tertiary education or professional organisations. The demise of a group perceived to be ‘procurement professionals’ was considered by the majority of those interviewed as a threat to the directorate’s ability to stay responsive and agile in unpredictable economic times.

#### ***4.3.2.3 ZAOC as a global organisation.***

Finally, local respondents believed ZAOC Norge, as an international energy company, needed to maintain and project a global image and outlook. Participants did not see how this could be achieved by employing only Norwegians, with their particular worldviews. As one participant shared:

“I think that that is a lack here [a global outlook]. We want to try to be more international” (P. 4).

The presence of expatriates within the PD contributed to the directorate, and the wider organisation, overcoming what one participant described as an “insular” (P. 13) perspective, despite the parent organisation being American. The Norwegians also expressed concern about the image their directorate projected to others outside the organisation, noting the dichotomy of an “international oil company that only employs locals” (P. 7).

### **4.3.3 The demise of SC2.**

The effects of the 2008/9 economic crisis precipitated a significant Quarter 1, 2009 fall in profits (S. N., personal communication, April 2009). As a consequence, a number of cost saving exercises were implemented, including the targeted repatriation of at least 40% of expatriate employees from every directorate. The procurement director, however, undertook to repatriate all PD expatriates by the end of 2009 to reduce costs (S. N., personal communication, December 2009). While the measure was generally accepted as being financially prudent one (all but one respondent agreed it was), the effect of losing all expatriates from the cultural milieu of the department generated the concerns described above and, in turn, suggested that as a group the expatriates represented a significant presence within the PD.

## **4.4 SC3 – The affiliation subculture**

The third subcultural group revealed and labelled SC3 (affiliation subculture) has, like SC1, emerged as the result of an issue. In contrast, however, SC3 exists to defend and mediate on behalf of the organisation rather than the subcultural group's members. This notion is central to the existence of this group; their affiliation with and support of the wider organisation, they perceive, contributes to the success of the business and, in turn, their own economic well-being.

### **4.4.1 Emergence of SC3**

The prosperity conferred on Norway and its population through the government's careful management of NS assets has resulted in a high degree of wealth and security for oil companies operating in the NS Continental Shelf region. ZAOC

Norge's role is significant, as it was among the first group of oil companies to identify commercially viable reservoirs, and currently operates one of the largest fields ever discovered in the NS. SC3 members who have contributed to the ongoing success of the organisation express a high degree of affiliation or attachment to ZAOC Norge as an entity. The following sections describe the basis for the affiliation which underpins SC3 members' enduring association with the company.

#### ***4.4.1.1 Pride at association with ZAOC Norge.***

The longer serving members of SC3, those with 10 or more years service with the organisation, tended to explain their pride in terms of being involved with past achievements that had contributed so much to the success of the company in Norway. The newer recruits, those with less than 10 years service, offered somewhat different reasons, in that they were proud to be associated with a company with a long-term future (based on the projected long life cycles of NS assets, some extending to 2050) which would in turn provide challenging and ongoing career opportunities. Comments included:

“It really feels like we are part of something that we built, something that we did [pause] um [pause] we kind of feel that we are part of the company”

(P. 2).

“Company Z, Company A [pause] they have been a major contributors to the Norwegian society. Both with [pause] you know [pause] a lot of positions, jobs created through the oil industry. And Company A, they were the pioneers here [pause] so I think [we] feel very proud about that” (P. 12).

"There is that long term security because of the life of the fields and everything. So [pause] you think about what opportunities there are going to be with the company. That would make me want to stay for the rest of my career" (P. 11).

The level of pride is evident among both long-serving and new PD members. In return, members of SC3 appear to be hard working and loyal, doing all they can to contribute to the long term continued success of the organisation. The data suggests SC3 members perceive a mutually beneficial relationship exists between the organisation and the members of SC3, illustrated in the following contributions:

"It makes a difference to me and the organisation if I do it well" (P. 13).

"I think we have [pause] well, I feel a strong commitment to getting the work done. I want to do the best job I can for this organisation" (P. 3).

"You want to do well, for yourself and for the company" (P. 9).

This notion of the mutually beneficial relationship between SC3 members and the organisation is in contrast to that of non-members of SC3 who participated in the research. While P. 5, P. 6 (both staff of PD2) and P. 10 (from PD1) did comment on the rewards and benefits that employment with ZAOC Norge afforded them, the sense of pride and anticipation for the future was otherwise absent from their contributions. For example, P. 6 simply shrugged and said "Oh, the pay is good" when asked about what made him want to work for ZAOC Norge. Members of SC3, on the other hand, often spoke at great length about what the organisation's past, and future, meant to them, but



importantly, they also spoke of the contribution they made to the company; it was this factor that was absent from the input of other subcultural groups' members.

#### ***4.4.1.2 Other sources of affiliation.***

Two other factors are revealed to undergird the enduring affiliation or attachment members of SC3 express for the entity ZAOC Norge. The first is the organisation's orientation to HSE (see 4.1.1, p. 72 above). SC3 members were highly conscious of the impact of poor safety culture; a well-developed safety culture on the other hand results in a safe working environment and contributes to the belief that the organisation does care about its employees. Thus, SC3 members tended to be very supportive of the company's proactive HSE strategies, as illustrated by the following accounts:

"Safety comes first. It is something they work hard for here, something they focus on. I think it is a very good thing" (P. 4).

"Being safe, that is the main thing for me" (P. 8).

"I think a lot of the safety things, and then always I think I don't want to hurt [ZAOC] by having an accident" (P. 13).

The second factor that contributes to SC3 member's high degree of affiliation with the organisation is their satisfaction with the monetary and career aspects that affect their employment, as described in section 4.1.3 (see p. 76 above). The integration of these three factors - orientation to HSE, satisfaction with the monetary and career aspects, and pride of association with the organisation - is revealed as unique to SC3

members and forms the basis for a common unifying characteristic among members and in turn, the *raison d'être* for the group's emergence.

#### **4.4.2 Membership.**

The membership boundaries of SC3 appear to extend across three operating units, including staff of both PD3, PD4(c) and PD4(m). These three operating units represent 28 of 35 (or 80%) of PD staff based in this location. The remaining 12 PD staff are from PD2 and are based elsewhere; thus they are excluded from SC3 as they do not share the same location. Moreover, it is apparent that SC1 members self-exclude from SC3, by limiting their interactions with group members despite sharing the same location. Other factors also precluded the inclusion of SC1 members, as explained in Section 4.2.1 (see p. 79 above).

Memberships that cross operating unit boundaries appear to be typical among the PD subcultures with only members of SC1 drawn from among a single operating unit. Furthermore, it is apparent that there is a degree of overlap among members of SC3 and other subcultural groups. For example, P. 1 is a member of two subcultural groups, while all members of SC4, discussed below, also appear to be members of SC3, giving rise to a condition where one, smaller subcultural group resides fully within another. This condition is rarely reported among the literature, and thus offers interesting opportunities for future research.

#### **4.4.3 Physical manifestations of SC3.**

From the data a number of physical manifestations are revealed, including informal communication channels which appear to play an important role in supporting and maintaining SC3. As a subcultural group emerges communication channels and

unique behaviours expressing the culture of the group develop to maintain and reinforce its existence. Over time, the most significant manifestations may become institutionalised, as is the case described below.

#### ***4.4.3.1 Informal communication channels.***

It was revealed that a high level of face-to-face informal communication occurred among SC3 members, as the following representative comment illustrates:

“The office is fairly social - there is a lot of informal interaction” (P. 3).

The most significant physical manifestation of SC3 is an informal communication channel known as the two o’clock. At this time, people from among PD3, PD4(m) and PD4(c) collect a beverage and gather in a public area within the directorate that is sufficiently large to accommodate around 20 people. The area is furnished with a large sofa and half a dozen chairs, as well as a rectangular table with six office chairs. For 10 or 15 minutes those gathered here chat, laugh and drink their beverage, then return to their desk for the remainder of the afternoon. Of the five occasions the researcher observed the two o’clock, it is estimated that at least 90% of those in the office at this time participated. On two occasions this included the manager/functional lead of PD4. However, no members of PD1 or PD2 were observed at this activity.

The 2 o’clock is an important daily event for SC3 members, providing an opportunity to talk about both work and non-work topics. Its importance is revealed in the following contributions:

“I would say, yeah, it is important to have a gathering like that [pause] just informal. We have a chat, a coffee a laugh, tell jokes” (P. 11).

“The 2 o’clock? Yeah, I’m involved in that. It is a good mix of job stuff and social stuff. Almost every time it ends with a job related discussion, so I like it. I think it is important” (P. 7).

However, some participants voiced concerns about the continued existence of the 2 o’clock in its current form, identifying several external threats, as the following contributions reveal:

“The two o’clock. Yeah, we do talk about work, not just chat. But after the cost reductions [we] are afraid to sit out there [indicating open area] and now they have [pause] um [pause] they go to an office” (P. 13).

”We don't meet so much as a group at 2 o'clock because we felt somebody was looking, saying "Hey, there they are sitting again". That's why we change it a bit. But, I need to tell you that was something that we learned a lot from” (P. 2).

In order to overcome these perceived threats, members of SC3 appear to be in the process of evolving an alternative way of keeping the 2 o’clock alive - by breaking into two or three smaller groups and congregating in different offices within the department, as well as at the sofa. This alternative arrangement was observed on the 2 occasions the ritual attracted more than 20 participants and, it was noted, different combinations of members would break off, resulting in a variety of group permutations over the course of the week. It was not apparent if there was a leader, but it did seem that there was always a longer-serving member dispersed among the two or three groups in the new 2 o’clock format.

Only one participant commented about the reliability of the 2 o'clock and other informal channels, such as the 7 o'clock, while the remainder of the participants indicated an overall satisfaction with the group's informal channels as their main source of information, with comments such as:

"We do have weekly meetings but there's not really an agenda. We just go around the room, what's the hot topic at the moment, what's coming up. But mostly [I find out about what is happening in the department] just by talking to people. The two o'clock is good for that" (P. 1).

"Anything formal? Not so much. I think last year [the director] did have an initiative to do a communication update, like, once a month or once a quarter, but this year, nothing really. That's why I go at two o'clock" (P. 7).

SC3 also supports a number of other informal communication channels. These include a 7am get together, and Friday afternoon walks or hiking trip, as the following participants shared:

"At 7am some of my other colleagues come in and we discuss for 10 minutes every morning, sitting down, talking about work [pause] social things, what happened yesterday. Every morning" (P. 2).

"We have this Friday walk thing that we organise. Sometimes we have had big trips [pause] bought some food, some very good food from the chef in the kitchen, and had a BBQ. Many from the department, around 70% or 80% of us" (P. 3).

All participants in this research confirmed they used formal communication channels. A variety of formal conduits exist at PD level including weekly department meetings, quarterly lunch and learn forums and quarterly directorate meetings with department leaders. At organisational level formal communication channels include on-line information sites, a newsletter, and town hall meetings chaired by directors and/or the managing director. The informal channels, however, are perceived by these SC3 members to supplement the formal networks maintained by the organisation.

Moreover, a number of other artifacts were identified, such as a monthly wine lottery, a Secret Santa at Christmas, regular group-organised outings to restaurants, sports and cultural events, and weekends away together at company hyttes.

#### ***4.4.3.2 Behaviours.***

Two unique behaviours emerged from the data that further distinguish the group from others that exist within the directorate. These behaviours, labelled the non-acceptance of criticism and the rejection of bureaucracy, both operate to protect ZAOC Norge as an entity from harm that is perceived by the group as damaging to the efficient and effective operation of the organisation.

##### *4.4.3.2.1 Non-acceptance of criticism.*

Overt criticism of ZAOC Norge as an entity is not accepted among members of SC3. This appears to be an important dimension of group membership and differentiates this subcultural group from others identified within the PD. While, for example, P. 5 and P. 6 (who are not members of any subcultural group that emerged from this research) were very candid in their criticism about the way their department was managed and that the cause of these problems emanated from the Norwegian-led

management, similar criticism of the organisation is almost totally absent from the other participants. The exception was a contribution from P. 7:

“It was put to me to move to Houston this October but it was stopped because of the financial crisis. I was very disappointed but [pause] I understood it. Yeah” (P. 7).

However, P. 7 was confident that the opportunity would become available again and, furthermore, made it clear that ZAOC Norge was in no way responsible for the situation. Rather, blame was directed away from the Norwegian organisation and its leadership and toward other sources, such as the 2008 financial crisis or ‘the centre’ (Houston).

While changes within the wider organisation or the PD, such as a 2008 reorganisation, led to anxiety among SC3 members, all participants appeared to support change strategies as ‘best for the company’ but only as long as they emerged from the ZAOC Norge, rather than ZAOC Inc or some other source. Members of SC3 shared that although change was often difficult for the individuals involved, whatever changes were introduced by ZAOC Norge, but not necessarily ZAOC Inc, these changes must be essential to ensure the long-term prosperity of the company, and therefore are overtly supported by the group. This notion always appeared to be the paramount concern for members of SC3.

#### *4.4.3.2.2 Rejection of bureaucracy.*

While members of SC3 tended not to voice criticism or accept negative talk about ZAOC Norge as an entity, they were not oblivious to organisational failings or weaknesses that they believed had the potential to damage the directorate or wider

organisation. One such failing or weakness emerged - the increasing amount of bureaucracy. As a group SC3 encouraged debate of the increasingly bureaucratic nature of the organisation, which they saw as affecting the efficient and effective functioning of the company. Moreover, such debate was encouraged in order to identify potential solutions to overcome the problems of bureaucracy.

Artifacts confirming the bureaucratic nature of the organisation and the PD are omnipresent. Some manifestations are described in 4.1.2 (see p. 75 above). However, others are specific to the work of PD3, PD4(c) and PD4(m) with, for example, all members' offices (19 of 19) and eight public locations within the directorate dominated by a *Critical operating tasks* poster. The poster is augmented by a +200 page manual (available on-line and in hardback version). Another, "*Upstream Norway business unit – Authority limitations*" is a newly published (December 2008) document which sets the authority limits. However, as one contributor noted, these limits "are very, very low by industry standards" (P. 8), and result in even relatively small amounts of expenditure being referred up to a supervisor for approval. Expenditure of significant amounts required not only PD supervisor approval, but also approval of a manager from the originating department. Extraordinary expenditures, and all new frame (contract) agreements, were submitted for approval by the Procurement Committee, which met once every two months. This level of control, it is reported, causes frequent delays to straightforward transactions which, in turn, results in damage to the organisation by frustrating clients, disrupting the supply chain, and ultimately adding cost to the procurement process.

Bureaucracy was also perceived to be harming the organisation at an individual level. First, SC3 members saw that their time was being "stolen" (P. 1) - taken away



from important functional tasks to complete paperwork that was subsequently filed away. Second, some believed that the process-driven nature of the work removed any opportunity for creative thinking or initiative-taking, commenting:

“Well, most people work from a list; they tick boxes, stuff like that” (P. 7).

“No matter what you are doing there seems like there is a form that needs to be filled out. We can’t do anything without filling in a form and getting it signed off by a supervisor. You don’t need to think how to do it” (P. 11).

“I’ve spent 9 years working for ZAOC. Do they want to trust me to think of an idea or to formulate something on my own, without doing a checklist? ” (P. 1).

Some SC3 members did attempt to rationalise the levels of bureaucracy within the PD, suggesting it was necessary because of the complexity of the contracts or the pressure from functional leaders in Houston. For example, one commented:

“Maybe that is just part of being in procurement, things have got to be well documented, done in a certain way, in a certain order, to a certain standard, so that everything can be seen to be ethical and transparent” (P. 7).

The data revealed SC3 to be a large and well-developed group in terms of membership and artifacts, and supporting organisational objectives in order to ensure the continued success of the company. This support may be especially pronounced during the turbulent times currently affecting many businesses, with criticism of the organisation being restricted to areas which members of this group perceive to be harming the organisation’s day-to-day operations.

## **4.5 SC4 – Gender subculture**

The final subcultural group to emerge from this research is, like SC2, based on a common personal characteristic, in this case gender. Moreover, as part of the larger SC3, this smaller subgroup supports all the activities of SC3 described above.

### **4.5.1 Emergence of SC4.**

The common unifying characteristic identified among this group appears to be that they are all females. The women of the PD represent a highly social group within the directorate, with their gender conferring a unique quality on the group - that of close interpersonal relationships. This, they perceive, enhances their ability to perform their tasks. Contributions expressing this notion included:

“We sit together in the lunch room and we discuss both private and what’s going on, you know, in this department. But of course maybe that makes it easier to walk down the corridor if you need help with anything, you know, the work you are doing, because we have the socialising. Yeah” (P. 4; female).

“Sometimes we arrange to go to Stavanger and have a glass of wine...and afterwards we go to the cinema. That is a good thing to do. It helps us get a good relationship together” (P. 9: female).

A high level of camaraderie between the women was evident, and as a result of the close interpersonal relationships which have been nurtured over a significant period of time a distinctive group has emerged.

#### **4.5.2 Membership.**

SC4 membership is restricted to the women of PD3, PD4(m) and PD4(c); male staff of the directorate are excluded. Women dominate the staff of PD3, PD4(m) and PD4(c), representing 62% of the staff, and women also hold all four management positions in these operating units.

What is unique, however, is that all members of SC4 are all also members of SC3; that is, the smaller SC4 group wholly resides within the other larger group. No other groups revealed in this study exhibit a similar relationship, although some participants are members of more than one subcultural group. Yet SC4 is revealed in this research as a separate and distinguishable subculture based on a number of distinctive physical manifestations, as well as its basis for emergence.

#### **4.5.3 Physical manifestations of SC4.**

The gender subculture has developed a number of physical manifestations to communicate and maintain its culture. These include both informal communication channels and behaviours that are unique to the group.

##### ***4.5.3.1 Informal communication channels.***

Regular and frequent face-to-face informal communication plays an important role in maintaining this group. However, the nature of the informal communication is somewhat different to that observed among other groups, SC3 for example. Participants noted that:

“We chat a lot to get through the day, when we get a coffee and go and visit people in their office” (P.11).

“Face to face mainly, yes, if I need to ask something I just get up and walk down the corridor” (P. 4).

While it was observed that the women did spend a lot of time visiting each other's offices, this behaviour was absent among the male members of the PD. Additionally, the women went to lunch together in various combinations most days and it was reported that SC4 members organised regular weekly activities outside of work hours, such as pot luck suppers at one another's homes, and cinema and theater outings.

#### ***4.5.3.2 Other physical manifestations.***

The close interpersonal relationships among SC3 members, they believe, contribute to effective and positive working environment, and are manifest in a number of ways. First, conflict or aggression is rare. Rather, interactions are characterised by respect as the following indicate:

“I think we are very careful to respect each other and to learn off each other and I think that is one of the reasons that it makes it so much fun together” (P. 9: female).

“[The women] don't have any conflicts. It does help it stay calm” (P. 13: female).

Second, the SC3 members willingly share their skills and knowledge, thus providing a valuable conduit for the dissemination of information. Moreover, their knowledge-sharing extends to non-members of the PD:

“They [the women] are great people, highly skilled, and I always get good help from them” (P. 11: male).

Other manifestations include agreement about what can be talked about over lunch among SC4 members, and the sanctions for not adhering to this:

“In the canteen at lunch if you talk about [your] job you have to give a beer.

How do you say “beer money”. It is a joke that we are not interested to talk about work at lunch” (P. 13).

The close interpersonal relationships of SC4 members led to some concerns, primarily focused on the group’s tendency to chat about non-work related matters during work time. This non-work related chat, it is perceived by some, impaired the efficiency of the directorate as a whole, as these comments illustrate:

“It is different, I guess. In meetings [run by women] they don't seem to have the same structure. There's an hour meeting, and we're finished after 25 minutes, and we still stay sitting here and chitchat for another half an hour” (P. 7: male).

“Maybe we could have some men in this department. Because the conversation may be more about work with more men” (P. 8: female).

The close relationships among the women appear to contribute to a calm and peaceful environment throughout the PD. The existence of this group discourages conflict and aggressive behaviours on the one hand, and encourages respectful and supportive behaviours on the other. However, some outside the group feel that the presence of so many women does not contribute to the effective running of the directorate, in contrast to what the majority of the women themselves believe.

#### **4.6 Identification of cultural characteristics among PD2.**

The contributions to this research from PD2 members produced a large amount of data, which, when analysed, suggested there are no identifiable subcultural groups within this operating unit. While the participants acknowledged they were part of the PD, and ZAOC Norge, no data revealed that a common unifying characteristic or issue exists from which a subcultural group could emerge, nor to suggest they are members of any of the subcultural groups revealed in this research. However, from their contributions, it is possible to describe a number of factors that may contribute to the lack of subculture development in this context.

##### **4.6.1 The nature of PD2.**

PD2 is involved in the planning and delivery of large, multi-million and frequently multi-billion, NOK assets. In order to build (or decommission) these assets, PD staff become part of a multi-disciplinary team comprised of a lead contractor, many subcontractors, consultants and project administration staff. While the team might have tens or hundreds of members, it will only include a handful of PD staff to look after the organisation's procurement interests for the duration of the project, and coordinate procurement activities between the main contractor, subcontractors, and consultants. As a result, PD2 members' tasks are perceived as substantially different from those performed by other members of the PD and thus require a different type of procurement professional to fulfill the roles.

Additionally, PD2 members are located at the lead contractor's site for the duration of the project (this may be in Norway, but is frequently overseas). This restricts interaction with ZAOC Norge but facilitates high levels of face-to-face interaction with

main contractors, subcontractors and consultants assigned to the team. This, in turn, affects the degree of affiliation that develops between the PD2 member and the organisation. P. 5 articulated it in this way:

“I think it is not the same bond to the company when you are with a project. You go out there to your contractor and come back after 4 or 5 years. People up there [indicating the PD] are always sitting there, always meeting the same people, eating in the same canteen” (P. 5).

While the data did not reveal a discernable subcultural group among the members of PD2, or that they were part of any of the other subcultural groups revealed in this research, they do not exist within an organisational culture vacuum. An insightful approach to understanding the culture dynamics that emerge among PD2 members is captured in the following observation from an informant:

"Well, it's like we start a new project and we are making an organisation for this specific task, and I want to be part of that organisation. Not this one (ZAOOC Norge). We are a new team, working for 4 or 6 years together. We create our own culture” (P. 6).

This suggests that for each existing and each new project a new subcultural group emerges. Describing the precise mechanisms that facilitate the emergence of these subcultures is beyond the scope of this study; it was not possible to observe a new project team being assembled (as all new projects were on hold at the time of the study) nor was it possible to visit any of the already established project groups at their project locations. Thus, no observation or material manifestation data were collected, despite the researcher spending two separate periods at the portacabin where PD2 members

have guest offices. Without this data few meaningful remarks can be made to explain how these individual project subcultures may emerge. Further research would be needed to make informed observations in relation to the emergence and development of each of these groups.

#### **4.7 Summary**

Following the collection and analysis of data from interviews, observation and material manifestations, it is possible to discern four distinct and unique subcultural groups within the PD of ZAOC Norge. All can be distinguished in at least three ways: basis for emergence; membership, and physical manifestations. Each group has clearly defined membership boundaries, although some overlap is noted between that of the expatriate group and the strong affiliation group, and the strong affiliation group and the gender group.

Two subcultural groups appear to have emerged from shared personal characteristics, the well-developed gender group (SC4) where all the members are female, and the almost extinct expatriate group (SC2) where all the members are non-Norwegian. While on the verge of extinction, SC2 has left an indelible mark on other staff who have interacted with its members, suggesting it was sufficiently developed to wield considerable influence in the PD. Likewise, the gender group; it appears to be well developed and thus able to influence the day-to-day environment of the PD. The remaining two subcultural groups are issue-based. However, while one group has emerged from a perceived need to defend and mediate on behalf of its members (SC1), the data reveals that SC3 emerged from a need to defend and mediate on behalf of the organisation against its critics. As such, SC3 is a permanent and stable entity, whose



members are dedicated to both protecting and promoting the long-term success of ZAOC Norge. This contrasts with the nascent SC1 group, which is at an early stage in its lifecycle, and with somewhat underdeveloped cultural manifestations is lacking in influence outside its own membership boundaries.

The scope of this study restricted it to a single directorate within ZAOC Norge, yet the findings suggest there are noteworthy and powerful cultural influences at play within this relatively small part of the organisation. The results of this inductive approach, using a case study framework, offer an insight into the emergence and development of organisational subcultures, and describe the activities and manifestations within the PD, but did not examine their influence. The following chapter presents a discussion of the results, relating them to the reviewed literature and suggests avenues for further research.

## Chapter 5: Discussion

The preceding chapter presents the results as they emerged following content analysis of data, which was collected from three sources - interviews, material manifestations and observation - to address the following three research questions. First, do clearly identifiable subcultures exist within the PD of this organisation? Second, if so, what are the differences between the subcultural groups? 3. Finally, what is the influence of these subcultural groups?

These questions are designed to elucidate a deeper understanding of the relationships and influence of the subcultural groups within both the directorate and wider organisation. The case study methodology that informed this research is underpinned by an inductive approach that allowed for the data to be analysed using both theoretically defined concepts derived from the literature and categories that emerged from the data itself.

Drawing together the complimentary strands of data in this research has revealed five key findings. First, subcultures do exist in ZAOC Norge. Second, identifiable subcultures are revealed as dynamic, with both stable and transitory groups. There is evidence of emerging, mature, and soon to be extinct groups, each with unique physical manifestations that reflect the group's level of maturity. Third, the two larger subcultural groups positively influence their members to support important organisational meanings through the adoption of appropriate behaviours. Four, positive relationships exist between the distinguishable subcultural groups, manifest in mutual support and peaceful coexistence of these groups within the PD. Lastly, there is evidence of group membership overlaps and nanocultures (subcultures within subcultures) suggesting memberships are not strictly delineated. Each of these key

findings is discussed with reference to the theoretical framework which underpins this study.

### **5.1 The procurement directorate subcultures**

The distinctions between the groups are sufficiently profound to justify the assertion that subcultures are a feature within the PD. Using the definition espoused by van Maanen and Barley (1985), each group can be distinguished in terms of a common unifying characteristic or a common concern or *raison d'être*, frequent and regular face-to-face communication, and the enactment of common behaviours. Four distinguishable groups emerged from the data:

- SC1 (survival/success subculture)
- SC2 (expatriate subculture)
- SC3 (affiliation subculture)
- SC4 (gender subculture)

However, there was no data to show that a discernible subculture exists among a group of participants within the operating unit labelled PD2, or that these participants were members of any of the identified subcultures. This is somewhat unexpected, as subcultures have been described as an inevitable consequence by symbolist scholars (i.e., Alvesson, 2005; Gregory, 1983; Louis, 1983; Martin & Siehl, 1983; Sackmann, 1992; van Maanen & Barley, 1984), and even some functionalist scholars, specifically Bloor and Dawson (1994), Trice and Beyer (1993), and Trice (1993). It is most likely that in the case of PD2, insufficient data was collected from their usual work place - they are based at the project contractor's site rather than at the ZAOC Norge offices for the duration of the project - and it was not possible to visit individual contractor's sites.

Interview data alone may not be capable of capturing the richness and depth of culture embodied in interactions, behaviours and relationships and revealed from observation and material manifestations.

## **5.2 The dynamic nature of PD subcultures**

While it is revealed that four organisational subcultures exist in this context, delineation of the groups on the bases of emergence, maturity, membership and physical manifestations serve to illustrate the dynamic and changing nature of these groups. Studies that reveal the dynamism of subcultures appear to be largely absent from the literature. Much of the research instead focuses on either furthering understanding of unifying characteristics, such as profession or occupation that are frequently identified as the catalyst for the emergence of subcultural groups (Trice, 1993; Trice & Beyer, 1993; Bloor & Dawson, 1994), or on the relationships that exist between the groups and the wider organisation (Bloor & Dawson, 1994; Boismier, 2003; Boismier & Chatman, 2003; Lok et al., 2005; Martin & Siehl, 1983). Subcultures are not static entities, yet studies exploring the dynamism of their life-cycle, encompassing emergence, stages of development from weak to highly developed and then the possibility of extinction for transitory, and even relatively stable subcultures, are rare.

This study also showed that, like the wider organisations in which they exist, subcultural groups are subject to internal and external pressures which, in turn, affect their development and character. For example, the 2 o'clock ritual is likely to reconfigure in response to threats to its continued existence in its current form. This dynamic dimension is frequently absent from applied research, such as that by Lok et al. (2005), Kwantes and Boglarsky (2004) and DelCampo (2006), where the complex

phenomenon of culture appears to be reduced to a set of variables to produce a snapshot of subcultures reminiscent of earlier climate studies. Moreover, such studies often fail to take account of contextualising influences of the wider organisational culture, that contribute to deeper understanding and knowledge regarding the emergence, maintenance and extinction of subcultures.

### **5.3 Lifecycles of PD subcultures**

Each identified group emerged at a different (unknown, except in the case of SC1) time. This may have been in response to the challenge or issue that is its *raison d'être* (SC1 and SC3) or as a result of the unique bonds created by a common unifying characteristic (SC2 and SC4). The timing and bases of emergence are reflected in the type of group that is formed: first, in terms of it being a permanent or transitory group; second, in terms of the maturity of its artifacts (see 5.3.1, p. 114 below) which in turn, affect the group's capacity to mobilise material and symbolic resources to influence its members.

SC1 is likely to conform to Martin's (2002) hypothesis that subcultures which emerge as the result of an issue are prone to be transitory, and will cease to exist once the issue around which they emerged is resolved. Conversely, argues Martin (2002), groups based on shared unifying characteristics, such as gender or profession, are more likely to be permanent and will be sustained over extended periods of time despite changes in membership. However, it is apparent from this research that conditions may materialise to threaten the permanent nature of the group, as is the case with SC2. This group is on the verge of extinction, despite being perceived as a stable and permanent group.

All the groups revealed in this research are at a different level of maturity. Group maturity has been typologised in a variety of ways. Functionalist research frequently refers to strong/weak or dominant organisational cultures (e. g., Bellou, 2008; Lok et al., 2005; Rodrigues, 2005; Saffold, 1988; Trice, 1993) and this typology has been applied in the analysis of subcultures. Lok et al. (2005, p.495), for example, argue “conceptually subculture is a subset of culture and as such is similarly constituted and functionally equivalent...subcultures, then, can also be typologised in the same manner as main cultures”. However, in keeping with the symbolic paradigm, such conceptualisations are redundant in this research. Rather, subcultures are described in terms of their level of development or maturity. Thus, SC1 is conceived as immature or under-developed; it is a relatively new group which is still in the early stages of creating artifacts. Some are already distinguishable, such as the rejection of overtly social activities within the workplace and the acceptance of overtime and others are certain to develop. Applying the same typology, SC2 is a mature or well-developed group, despite its imminent extinction. Although none of the group’s artifacts were observed, such an assertion is based on evidence of the wide-ranging and enduring influence on other PD members, as articulated in non-SC2 members’ responses. Moreover, the demise of SC2 serves to illustrate the transitory nature of subcultural groups, even those that initially appear as stable and enduring, or permanent, in character.

Of the remaining groups SC3 is revealed as a mature or highly-developed and permanent group, despite having emerged as the result of an issue. It could be argued that the group will continue to exist as long as the organisation continues to operate in its current form. Likewise SC4 is revealed as a mature group with a range of well-developed artifacts to communicate and maintain its existence.

### **5.3.1 Artifacts of dynamic subcultures.**

A range of physical manifestations or the visible expressions of culture underpin the continued existence of the subcultural groups. The most visible are the institutionalised informal communication channels that have evolved to support SC3 and SC4. These channels serve two purposes. First, frequent and regular face-to-face interaction between group members is a defining feature of subcultures (van Maanen & Barley, 1985), and without this characteristic subcultures are unlikely to emerge, as illustrated by PD2. Despite the existence of some other characteristics, no evidence was revealed to support the notion that a subcultural group had emerged among PD2 members. Second, these informal communication channels appear to play an important role in developing, communicating and reinforcing the shared meanings that make the groups unique.

For SC3, these important meanings include acceptance of and support for ZAOC Norge's health, safety and environment (HSE) orientation; for SC4, it is respect for others. In turn, these important meanings are enacted in the behaviours adopted by members, and ultimately, delineate the different groups.

#### ***5.3.1.1 Behaviours in response to HSE orientation.***

Members of SC3 and SC4 enact behaviours that suggest they widely support the organisation's orientation toward HSE. Indeed, the high degree of enthusiasm for HSE was absent among other groups identified within the PD. For an energy company in particular, the existence of such a group which not only understands the importance of safety but also enacts behaviours to communicate this priority among both its members and non-members, is likely to have multiple benefits (Høivik et al., 2008; Høivik et al.,

2009; Mearns et al., 2001). Conversely, the absence of such groups is potentially damaging (Mason, 2010) with low levels of support leading to complacent behaviours, and, ultimately, accidents.

Such policies are not only implemented to safeguard the health of the organisation and meet regulatory requirements, although these are surely the overriding motivations behind the “Zero accidents” slogan. Nonetheless, there is a belief among SC3 and SC4 members that the proactive implementation of HSE strategies by ZAOC Norge indicates a high degree of care towards its staff as individuals. These findings are consistent with those of Høivik et al. (2009), whose research shows a strong correlation between an organisation’s health and safety orientation and perceptions of the level of care the employing organisation has for its employees. This perception of a high level of care by the organisation for its individual employees, in turn, appears to contribute to the degree of affiliation that exists between ZAOC Norge and members of SC3.

#### ***5.3.1.2 Behaviours in response to bureaucracy.***

While the results indicate that SC3 (and by implication SC4) members accept and support the HSE orientation of the organisation, this is not the case with regard to bureaucracy. The increasingly bureaucratic orientation of the organisation is reflected in members’ perceptions of trust, empowerment and creativity, and is affecting their roles as efficient service providers to other members of the organisation.

The way in which this is articulated varied between groups. SC3 members perceive the amount of bureaucracy is harming the day-to-day operation of the PD in particular, but also the organisation as a whole and it is the possibility of harm that motivates the groups’ response. The groups’ *raison d’être* is to protect the interests of



the organisation to ensure the continued success of the entity ZAOC Norge. Thus SC3 members are utilising their influential positions within the PD to effect positive change and counter potential damage to the organisation. On the other hand, while members of SC1 and SC2 were often critical of the amount of bureaucracy within the organisation, their censure is not manifest by the emergence of countercultures.

The results demonstrate the dynamic nature of the subcultural groups identified within the PD. Each group is defined in a different way, and communicates and maintains its identity in divergent approaches to a range of organisational issues, including HSE and bureaucracy.

#### **5.4 Positive contribution of subcultural groups within the wider organisation**

A common feature of all four subcultures that emerged from this research, is the degree of support or congruence they exhibit for important organisational meanings. The groups' support endures, and does not appear to be diminished or withdrawn, even when some, such as SC1 and SC2, are critical of the organisation's orientation to a task or activity. As discussed earlier, using Martin and Siehl's (1983) typology, relationships can be categorised as enhancing, orthogonal or countercultural. There is no data to show that countercultures - groups challenging or threatening the meanings embodied by the overarching culture - exist in this research context. Although there are examples of divergent behaviours among group members these are not manifest in unsupportive or disruptive behaviours.

The nascent SC1, for example, enacted some divergent behaviours, but nonetheless members "simultaneously accept[ed] the core values of the dominant culture and a separate, unconflicting set of values particular to themselves" (Martin &

Siehl, 1983, p. 54), and thus display orthogonal characteristics. This is manifest in group members' acceptance of, and willingness to, work long hours in order to achieve their objectives, despite this type of behaviour being widely discouraged by the organisation.

SC3 and SC4 members, on the other hand, appear to support organisational objectives more fervently than other PD members. The data revealed a high degree of congruence between important organisational meanings, and important subcultural group meanings, such as HSE. Thus, applying Martin and Siehl's (1983) typology, the relationship that emerges can be described as an enhancing one.

Categorising the expatriate group is less clear cut, as few visible meanings of their culture remained within the directorate at the time of the research. The results indicate, however, that SC2 members did not adopt a countercultural stance, or the same degree of fervour as SC3. Therefore, it is possible to construe that SC2, like SC1, displays orthogonal characteristics.

Trice (1993), however, questions whether subcultures emerging from a shared or unifying characteristic, such as SC2 and SC4, can display enhancing or orthogonal traits, and thus make a positive contribution to the cultural milieu in which they exist. He notes that shared or unifying characteristics "provide a catalyst to create bonds among organisational members which then "loosen" members' commitment to the organisation, permitting them to generate shared rationalisations that, in turn allow them to violate significant aspects of the [overarching] culture" (p. 143). There is no evidence to suggest this was the case among SC4 or SC2 members, or indeed any of the subcultures identified. Each showed a high degree of commitment for the organisation, manifest in supporting behaviours. Although some divergent behaviours were observed

among SC1 members, they did not represent a lack of commitment to the organisation. Further investigation is needed to identify the extent to which organisational commitment is influenced by the basis of subcultural group emergence.

Enhancing and orthogonal subcultures, such as those revealed among PD subcultures, are perceived to enhance organisational performance (Martin & Siehl, 1983). There is some evidence that this may be the case at ZAOC Norge; the *2008 Annual Report* notes that operating units within Norway showed a clearly declining trend in the personal injury rate, dropping 33% from the previous year. Moreover, the severity of the incidents also declined, and no incidents had serious consequences. For an exploration company operating in the high-risk deep-water Continental Shelf environment, this is a successful outcome. It may even be the case that PD members' support is currently more pronounced, with both the 2008-9 economic crisis and BP's Gulf of Mexico accident putting increased pressure on energy companies to reduce expenditure, while at the same time not compromising standards. Nonetheless, whether or not an enhancing subculture can be directly linked to improving the performance of an organisation in such a way requires further investigation and suggests a rich seam for future research.

The enhancing relationships of SC3 and SC4 with the wider organisation may be a consequence of the groups' strength or maturity. Cases have been reported where well-developed or mature subcultural groups have been able to mobilise material and symbolic resources and exert a high degree of influence over both members and the wider organisation. These groups, according to Boisnier (2003), Boisnier and Chatman (2003) and Bellou (2008) are stronger (or better developed) than the main culture, and thus able to influence the perceptions, attitudes, and behaviours of employees to a

greater extent than the overarching culture. Few studies, other than that of Boisnier (2003), identify and explore the relationships between a strong overarching organisational culture, and a strong embedded subculture. This is surely a consequence of the paradigmatically different approaches to the study of organisations and subcultures. Functionalists tend not to accept the existence of subcultural groups, rather perceiving them as a threat to the unity and strength of a single overarching culture, while symbolists rarely consider the existence of a well-developed overarching culture, instead seeing organisations as a collection of subcultures. The results of this study illustrate that it is possible for a well-developed or mature subcultural group to exist within a well-developed single overarching culture, to the mutual benefit of both. There is a clear need for further research that confirms or refutes this result in other sectors and functions.

### **5.5 The positive contribution of subcultures within the PD**

One of the more unexpected results of this research was the degree to which the groups co-exist, and the peaceful and respectful atmosphere that prevails within the PD. The presence of two well-developed subcultural groups (SC4 and SC3) and at least one other group (SC1), which supports important organisational meanings, appears to have a unifying, rather than divisive, effect on both the members of the PD and the intergroup relationships that have developed. These relationships are manifest in harmony, support and cooperation among the groups rather than disagreement, inconsistency and deadlock, and ultimately benefit the PD (as well as the wider organisation).

### **5.5.1 Peaceful co-existence.**

Supportive, caring and respectful behaviours were observed among PD subcultural members during the data collection phases of this study, and these behaviours were similarly manifest in the relationships that appeared to exist between the identified subcultures. Sackmann (1992) described subcultures that exhibit these kinds of relationships as harmoniously or peacefully co-existing. This type of relationship is rarely seen in the literature, although a few cases have been identified (Boisnier, 2003; Boisnier & Chatman, 2003; Gibbs, 2009). The literature is more likely to describe organisations embedded with subcultures, each supporting different and opposing objectives or interests, and characterised by conflict (Martin, 2002; Rodrigues, 2006), reduced levels of cooperation (Guzman & Stanton, 2004; Mearns et al., 2001) and resistant behaviours (Huang et al., 2002).

While the presence of enhancing and orthogonal subcultures, as opposed to countercultures, may contribute to the harmonious intergroup relationships which were revealed among the PD groups several other contributory factors also emerged. First, members of SC4 are all also members of SC3. This suggests that SC4 members share a high level of agreement with SC3 members about important group and organisational meanings and this, in turn, is likely to result in agreeable, rather than oppositional relationships. The second factor is the influence of SC4 - the gender group - which enacts and communicates behaviours that promote calmness, respectfulness and support among group and non-group members alike. Third, a Norwegian national attribute that rejects inconsiderate and aggressive behaviour in favour of respect and tolerance within both society and the workplace is also plays a role.

#### ***5.5.1.1 SC4 - The gender subculture.***

In the wider context of the energy industry, this study shows women are overrepresented within the PD. In the largest two departments (PD3 and PD4) the majority of staff are women (16 of 26 or 62%). The presence of a relatively large female group is unusual within the oil industry context, and even rarer still is the hierarchy of the PD3 and PD4, where women incumbents hold all four functional lead and supervisory positions. This contrasts with the traditionally hegemonic masculinity of the oil industry, manifest in a “powerfully masculine culture” (Miller, 2004, p. 48), constructed on paternalism or condescending chivalry, gendered division of labour, and the symbolic myths of the industry pioneers.

However, the influence of this group - articulating the feminine traits of empathy, support, kindness and care - resonates widely through the directorate, influencing the behaviours of both the women who are members of the group, and also the males within the directorate who are exposed to, and obliged to work within, such an environment. For example, comments from several male participants reflected their appreciation of the caring and supportive setting imbued by the presence of the gender group.

Feminine-gendered behaviours appear to dominate the cultural environment of the PD while the “aggressive, confident approach...described in various formats by many of the women as being a prerequisite for being taken seriously and for success” in Miller’s (2004, p. 65) study is largely absent in this context. It may be the case that the lack of aggression and conflict that results from the empathic, supportive, kind and caring relationships which exist among staff has a direct and significant organisational benefit, and it is therefore prudent to nurture and maintain this environment. There is

clearly a dichotomy between what is acknowledged to be a powerfully masculine industry characterised by uncaring and aggressive behaviours with the reality of a caring and supportive group within the PD.

#### ***5.5.1.2 National characteristics.***

The results of this research suggest that the caring and supportive behaviours communicated by the gender group are also enacted by non-members of SC4. That is to say, the males of the PD enact similar behaviours as the females. While the gender subculture, as a large and significant group within the PD, exerts some influence on the behavioural norms of non-members, a contributing factor in the acceptance of feminine-gendered behaviours by males in this context is a Norwegian national trait. Norway ranks second highest on Hofstede and Hofstede's (2005) femininity index. More recently, a study by De Rivera et al. (2007) concluded Norwegians are intrinsically peace loving, showing significantly less social anger than other nationalities. National traits are acknowledged to influence the cultural environment in which they operate (Hofstede & Hofstede, 2005; Hofstede et al., 1990; Yeganeh & Su, 2006), affecting both the management of the organisation and the behaviours of the people who work within it. Therefore, it was not unexpected to find that both the males and females of the PD enacted respectful, peaceful and caring behaviours in the workplace, mirroring their behaviours in the wider society.

### **5.6 The presence of nanocultures and overlapping group membership**

One key finding was that membership boundaries overlap in a variety of ways. While it is the case that membership of each subcultural group is distinct, with apparent

boundaries defined by common unifying characteristic and issues, the results show that multiple group membership is tenable without adverse consequences.

The data revealed PD members possess unifying characteristics that make them eligible for membership into more than one group. However, research into this concept is limited and predominantly from a theoretical perspective, although as Gibbs (2009) recently explained scholars are beginning to address:

The multidimensional nature of cultural identity and develop multi-faceted frameworks to account for more complex, dynamic interactions among co-existing cultural groups by acknowledging levels of culture other than organizational and national, such as professional, functional, regional, gender, and ethnicity that factor into team members' identities (p. 90).

Such an approach is clearly relevant to this research as it recognises that organisational members may possess more than one identity, and thus may choose to become members of subcultural groups that reflect these identities within the workplace. However, how potential members make choices about which groups are salient to a particular identity, and how they then accommodate conflicting or opposing demands of diverse subcultural groups, is beyond the scope of this research. Nonetheless, the results of this study illustrate that subcultural groups are capable of supporting the interests of individuals who express multiple identities in the work place and can do so without conflict arising among those identities.

The research also revealed SC4 members were part of the larger SC3, but the existence of an alternative shared basis for emergence - being female - provided a further condition for the development of this group. That subcultural groups may be embedded or layered within each, or hierarchical in nature, is a possibility identified by



Morgan and Ogbonna (2008). Their research suggests divisions may exist among a subculture's members, which provides the basis for the emergence of further subgroupings. Morgan and Ogbonna (2008) label this subcultural differentiation as nanocultures. This model could explain the relationship that was found to exist among members of SC3 and SC4. However, among contemporary, studies the notion that nanocultures can exist within larger subcultural groups is one that has received scant attention. It does, nonetheless, offer organisational theorists a further prospect of extending understanding into the dynamic and complex relationships that exist within the cultural milieu.

## **5.7 Summary**

The opportunity to observe the PD has afforded a unique insight into the cultural milieu of the directorate and the way cultural influences, emanating from the organisational, directorate and subcultural level, interrelate. Moreover, this opportunity has provided the foundation for an evidence-based study, which has led to the characterisation of the organisational subcultures that exist within this context.

These results provide further support for the symbolist conceptualisation of organisational culture that informs this research. The existence of a number of well-developed subcultural groups co-existing under the umbrella of an overarching organisational culture, contributes to the small body of existing knowledge that espouses such a relationship is possible. Thus it is not inconsistent for well-developed subcultural groups and a well-developed organisational culture to exist simultaneously and, moreover, have beneficial outcomes for both as this research demonstrates. The presence of a strong, overarching organisational culture does not adversely affect the

degree of influence a well-developed subculture may exercise and as this research suggests, that influence may serve to reinforce important organisational meanings.

The inductive approach taken in this research has also revealed that subcultural group membership is not strictly delineated, where membership of one group does not preclude membership from other groups. It shows that organisational members may choose to exclude themselves from groups that do not reflect salient characteristics or be part of one, two, three or more groups that do reflect their multiple organisational identities. The dynamic nature of subcultures in 21<sup>st</sup> century organisations is demonstrated as a variety of external and internal influences affecting the way in which the subcultures develop, are maintained and communicated, and in some cases, cease to exist altogether.

There is some consensus regarding the desirability of subcultures within organisations (Trice, 1993; Trice & Beyer, 1993; van Maanen & Barley, 1984). Through such cultures members maintain their identity, forming cohesive units that reinforce meaning and motivate behaviours that reiterate the group's meanings, and in turn, guide and direct outcomes. In ZAOC Norge, enhancing and orthogonal subcultural groups fulfill a significant role that, as shown here, can contribute greatly to the smooth running of organisations as they strive to meet their objectives.

## **Chapter 6: Conclusions**

The qualitative inductive research approach of the case study methodology, integrating interviews, observation and material manifestations, allowed thick descriptions of the cultural milieu to emerge. From this evidence was found to support the notion that subcultures exist under the umbrella of an overarching organisational culture. At the same time, it also revealed some interesting subcultural dynamics, such as the adaptable and responsive nature of subcultures and the existence of nanocultures, which are yet to be fully explored in the literature. These results offer some evidence to provide the basis for future studies within the procurement function and other functions in the energy sector, and across other industries at both the local and global level.

### **6.1 The existence of organisational subcultures**

Subcultures are not acknowledged in the functionalist cultural model adopted and maintained by ZAOC Norge. Yet this research, using a symbolist perspective, reveals the existence of at least four subcultural groups in a single directorate. So far, few studies appear to have addressed the possibility that these two alternative frameworks may converge in a single organisational context. These include theoretical contributions from authors Martin and Siehl (1983), Sackmann's (1992) early empirical investigation, and more recent work by Boisnier (2003), Boisnier and Chatman (2003), Morgan and Ogbonna (2008) and Gibbs (2009). Nonetheless, the inductive approach provides for future organisational culture research examining the notion that both subcultures and an overarching culture can exist simultaneously. Although larger samples across more diverse sectors would offer further support to the notion of converging frameworks, the single embedded case study presented here does add in

some a small way to the paucity of existing research into this area. Moreover, the results of such research contribute to a clearer view and better understanding of the interrelationships that are uncovered when the convergent frameworks are considered in concert.

## **6.2 The positive consequence of organisational subcultures**

Analyses of the data from interviews, observation and material manifestations reveal that organisational subcultures can play a beneficial role in the day-to-day operation of the organisation. Studies by Sackmann (1992), Boismier and Chatman (2003) and Gibbs (2009) are among the few that describe the positive consequences and contributions that subcultures can bring, through the development of harmonious and mutually supportive relationships at both organisational and operating unit level. More frequently in the identified literature, the presence of subcultures also signifies the existence of conflict, not only between the divergent groups but also with the overarching culture. It is therefore understandable that organisational leaders are attracted to the notion of a single homogeneous organisational culture that encompasses all members and which has the potential to enhance performance rather than consider the possibility of divergent and conflicting subcultural groups which potentially detract from organisational performance. However it would appear that it is not inconsistent, from the results of this research, that a well-developed organisational culture can exist, and create and maintain a mutually beneficial relationship with a mature and well developed subcultural group. It is recognised that this was a small sample, and as with case study research, the results may not be generalisable to other organisational contexts.

Converging lines of enquiry show that both the gender group (SC4) and a number of Norwegian national traits influence the cultural milieu of the directorate in a positive way. Women are generally underrepresented within the oil sector, clustering in service, administrative and support roles (such as procurement) where their influence is diminished in the masculine hegemonic that underpins the culture of the industry (Miller, 2007). However, that was not the case in this research, which revealed that women are influential in the day-to-day operation of the PD, augmenting the development of an effective working environment and harmonious relationships. Likewise, a Norwegian national trait that accepts respectful interactions and rejects uncivil ones appears to have a similar affect. However, the dual effect of gender and national trait would need to be explored in research encompassing Norwegian businesses and other sectors where women are both over and underrepresented to provide more conclusive evidence of the influence of these cultural dimensions.

### **6.3 Subcultural group membership**

A number of questions also arise relating to subcultural group memberships. First, few previous studies appear to consider the possibility that members of one identifiable subcultural group may possess characteristics that enable them to identify with and therefore become members of other subcultures within the same organisation. Group membership eligibility and salience may be derived from any number of organisational sources, including the employing organisation, the department an individual works for, a lunch group or an age cohort according to Ashforth and Mael (1989). Individuals “retain multiple identities” (p. 23), resulting in the possibility of a single individual joining more than one group within an organisational setting, as

illustrated in this research. This in turn raises questions about the relational dynamics that may emerge where group memberships overlap.

Much of the identified literature points to inter-group relationships most likely characterised by conflict - “stem[ming] from the very fact that groups exist” (Ashforth and Mael, 1989, p. 31). Overlapping memberships among subcultural groups’ or the presence of nanocultures may, in turn, have implications for the types of relationships that subsequently develop among them. Although emanating from a single case study based on a small sample size in a single organisation, the results suggest that where group overlap does occur the relationships between the groups is more likely to be harmonious than conflicting. Further inductive research, which provides the depth and richness of data to enable subcultures to be identified and characterised, is needed to reveal how overlapping memberships affect the nature of the relationships that subsequently develop among the divergent groups.

The concept of nanocultures represents a relatively new cultural model for explaining and understanding subcultural group membership. The notion that a subculture can itself support a smaller group embedded within it was initially identified among hospital wards that comprised different functional specialties. This research demonstrates that nanocultures may not only relevant to hospital settings, where well-developed occupational and professional hierarchies are likely to exist, but also among other groups where common unifying characteristics, in this case for example, gender, provide a sufficiently strong feature as to foster the development of a secondary group which is wholly subsumed into the larger group.

#### **6.4 Organisational subcultures as dynamic entities**

The data revealed in this study illustrates that subcultures are dynamic entities, reacting to the cultural milieu in which they exist. Their dynamic nature is not always evident in applied research which tends to offer a snapshot of the concept under investigation but does not reflect the changing nature of the groups that are identified. This is most likely an outcome in functionalist studies relying on quantitative data derived from a narrow range of variables which ultimately fail to capture the complexity of the phenomenon. This case, conversely, provides an insight into subcultural groups that have emerged from different bases, are at different stages of development and which reflect the multiple identities, and thus the multiple memberships, of their members. For example, the extinction of a well-developed group, such as SC2, did not signify an end of its influence, with the remainder of the PD continuing to be affected not only by the existence of the group, but also by its demise. On the other hand, the startup of new projects within a group such as PD2, provides the opportunity to empirically examine the subcultural group life cycle.

#### **6.5 Further research**

One outcome of inductive exploratory research such as this is to provide sufficient evidence to justify further investigation. Areas of interest that arose during the course of this research include the potential existence of subcultural groups characterised in the same way as those revealed as part of this research existing within other directorates of ZAOC Norge and directorates at other locations within the ZAOC Inc global network. Beyond this, larger-scale comparative studies, both locally and internationally, of the procurement function within the oil sector offer further

opportunities to explore the influence of organisational subcultures in this important industry.

The notion that an organisation can support both a well-developed organisational culture and well-developed subcultures in a mutually beneficial relationship has not been fully explored in the literature. Although studies by Sackmann (1992), Boisnier (2003), Boisnier and Chatman (2003) and Gibbs (2009) provide some examples of this type of relationship, further applied research investigating the organisational conditions under which such a relationship is likely to develop offers the cultural researcher an interesting avenue for further development. Moreover, it may be the case that the presence of a specific subcultural traits, for example the basis for emergence, the nature of the unifying characteristic or the level of maturity of the group as was the case here, contribute to the development of enhancing subcultures, in contrast to countercultures. The existence of enhancing subcultures is clearly beneficial for all organisations thus providing research opportunities across a wide range of sectors and at both a global and international level.

The effect of subcultural group overlap or multiple group memberships, and nanocultures, has also attracted scant attention from scholars. However, the degree of overlap may influence the nature of inter-group relationships, inasmuch as few or no overlapping group memberships could signal conflict, while extensively overlapping group memberships could signal harmonious interactions. Clearly more empirical research is needed to add further support to the notion that high levels of homogeneity among subcultural group members may positively influence the nature of the resulting



relationships between the groups. However, at this time there is a paucity of research in the literature, although it is likely that these types of relationships may be found to exist among many subcultural groups which support members displaying two or more unifying characteristics. Future research from an inductive symbolist approach, where thick descriptions reveal the precise nature of and relationships between subcultural groups and their members will potentially add to the body of scholarship that acknowledges the notion of multiple group membership and extends it by describing the potential implications implicit in such relationships.

While gender is a common unifying characteristic for the emergence of subcultures the apparent rarity of a well-developed and influential gender group such as this existing in other organisational contexts may account for the paucity of published studies that report positive and supportive relationships. This opens the door for further research of sectors where women are both underrepresented and overrepresented to investigate the extent to which they are able to form close relationships in order to develop and maintain subcultural groups to mobilise their unique influence.

The existence of an influential expatriate subculture within this environment raises questions about the presence of similar groups emerging in other organisational contexts. Stavanger, with in excess of 50 foreign oil companies as well as 40 service companies, offers an opportunity to investigate the prevalence of this type of group against a similar national backdrop. However, with increasing globalisation and individual mobility further research into expatriate subcultures within other sectors and other countries would contribute to greater characterisation of, and clearer insight into,

the cultural dimensions that underpin the development and maintenance of a group emerged from the shared ambiguities of living and working in a foreign country.

Respect emerged as an important influence in the development and maintenance of harmonious individual and inter-group relationships. A greater understanding of the precise nature of these respectful behaviours, as manifest in the gender group and among the Norwegian males of SC3 offers a strand of research that has the potential to provide some insight into the ways in which to improve and sustain positive inter-group relationships across a wide range of industry sectors. Further research from within the Norwegian context could provide a model of how respect and civility positively influence workplace relationships, and the applicability of such a model to other organisational and national contexts.

Recognising the significance of organisational subcultures in this context, as well as their dynamic nature and the unique benefits they can bring, this research contributes to a body of knowledge that has investigated the existence of, and relationships between, subcultural groups and the overarching organisation in a large, complex context, and how these groups are able to mobilise symbolic and material resources to exert their influence. Nonetheless, it is acknowledged that a small sample size and the single embedded case study lead to a lack of generalisability to the wider populations. However, generalisability of the results across the function or the sector was not the purpose of this research. Rather the case study methodology allowed the qualitative data to reveal the richness, depth and subtle nuances of culture and cultural manifestations in a way that may not be possible with the use of other quantitative

instruments. The participants' voices were heard, despite the size and complexity of the organisation, and have shown that the groups they are members of are indeed an influential presence and dominant expression of organisational culture in the cultural milieu at ZAOC Norge.

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**Appendices**

## Appendix 1: The Forbes Global 2000 Top 60 - The World's Leading Companies

### The World's Leading Companies

The top 60 only of "Forbes Global 2000" \*indicates oil and gas company

RANK	COMPANY	COUNTRY	INDUSTRY	SALES (\$BIL)	PROFITS (\$BIL)	ASSETS (\$BIL)	MARKET VALUE (\$BIL)
1	<u>JPMorgan Chase</u>	United States	Banking	115.63	11.65	2,031.99	166.19
2	<u>General Electric</u>	United States	Conglomerates	156.78	11.03	781.82	169.65
3	<u>Bank of America</u>	United States	Banking	150.45	6.28	2,223.30	167.63
*4	<u>ExxonMobil</u>	United States	Oil & Gas Operations	275.56	19.28	233.32	308.77
5	<u>ICBC</u>	China	Banking	71.86	16.27	1,428.46	242.23
6	<u>Banco Santander</u>	Spain	Banking	109.57	12.34	1,438.68	107.12
7	<u>Wells Fargo</u>	United States	Banking	98.64	12.28	1,243.65	141.69
8	<u>HSBC Holdings</u>	United Kingdom	Banking	103.74	5.83	2,355.83	178.27
*8	<u>Royal Dutch Shell</u>	Netherlands	Oil & Gas Operations	278.19	12.52	287.64	168.63
*10	<u>BP</u>	United Kingdom	Oil & Gas Operations	239.27	16.58	235.45	167.13
11	<u>BNP Paribas</u>	France	Banking	101.06	8.37	2,952.22	86.67
*12	<u>PetroChina</u>	China	Oil & Gas Operations	157.22	16.80	174.95	333.84
13	<u>AT&amp;T</u>	United States	Telecommunications Services	123.02	12.54	268.75	147.55
14	<u>Wal-Mart Stores</u>	United States	Retailing	408.21	14.34	170.71	205.37
15	<u>Berkshire Hathaway</u>	United States	Diversified Financials	112.49	8.06	297.12	190.86
*16	<u>Gazprom</u>	Russia	Oil & Gas Operations	115.25	24.33	234.77	132.58
17	<u>China Construction Bank</u>	China	Banking	59.16	13.59	1,106.20	184.32
*18	<u>Petrobras-Petroleo Brasil</u>	Brazil	Oil & Gas Operations	104.81	16.63	198.26	190.34
*19	<u>Total</u>	France	Oil & Gas Operations	160.68	12.10	183.29	131.80
*20	<u>Chevron</u>	United States	Oil & Gas Operations	159.29	10.48	164.62	146.23
21	<u>Barclays</u>	United Kingdom	Banking	65.91	15.17	2,223.04	56.15
22	<u>Bank of China</u>	China	Banking	52.20	9.45	1,016.31	147.00
23	<u>Allianz</u>	Germany	Insurance	130.06	6.16	834.04	52.74
*24	<u>GDF Suez</u>	France	Utilities	114.65	6.42	245.95	83.36
25	<u>E.ON</u>	Germany	Utilities	117.38	12.05	214.58	68.26
25	<u>Goldman Sachs Group</u>	United States	Diversified Financials	51.67	13.39	849.00	84.95
27	<u>EDF Group</u>	France	Utilities	95.17	5.60	342.63	92.23
28	<u>AXA Group</u>	France	Insurance	145.86	5.17	1,016.70	46.02
29	<u>Lloyds Banking Group</u>	United Kingdom	Banking	106.67	4.57	1,650.78	50.25
29	<u>Procter &amp; Gamble</u>	United States	Household & Personal Products	76.78	13.05	135.29	184.47
*31	<u>ENI</u>	Italy	Oil & Gas Operations	121.01	6.27	163.52	82.22
32	<u>Telefónica</u>	Spain	Telecommunications Services	79.11	10.84	154.98	108.19

33	<u>IBM</u>	United States	Software & Services	95.76	13.43	109.02	167.01
34	<u>UniCredit Group</u>	Italy	Banking	92.17	5.59	1,438.91	43.95
35	<u>Hewlett-Packard</u>	United States	Technology Hardware & Equip	116.92	8.13	113.62	121.33
36	<u>Nestlé</u>	Switzerland	Food, Drink & Tobacco	97.08	10.07	105.16	173.67
37	<u>Verizon Communications</u>	United States	Telecommunications Services	107.81	3.65	227.25	82.21
38	<u>China Mobile</u>	Hong Kong/China	Telecommunications Services	66.22	16.87	104.46	199.73
*39	<u>ConocoPhillips</u>	United States	Oil & Gas Operations	136.02	4.86	152.59	72.72
40	<u>Pfizer</u>	United States	Drugs & Biotechnology	50.01	8.64	212.95	143.23
41	<u>Nippon Telegraph &amp; Tel</u>	Japan	Telecommunications Services	106.98	5.53	181.48	68.68
42	<u>ENEL</u>	Italy	Utilities	91.87	7.74	221.26	50.92
43	<u>Deutsche Bank</u>	Germany	Banking	62.98	6.93	2,150.60	39.75
44	<u>Credit Suisse Group</u>	Switzerland	Diversified Financials	50.26	6.11	988.91	53.93
*45	<u>Sinopec-China Petroleum</u>	China	Oil & Gas Operations	208.47	4.37	110.66	130.06
46	<u>Vodafone</u>	United Kingdom	Telecommunications Services	58.35	4.38	217.97	112.26
47	<u>Johnson &amp; Johnson</u>	United States	Drugs & Biotechnology	61.90	12.27	94.68	174.90
48	<u>BBVA-Banco Bilbao Vizcaya</u>	Spain	Banking	49.27	6.03	760.39	48.20
49	<u>Microsoft</u>	United States	Software & Services	58.69	16.26	82.10	254.52
50	<u>Siemens</u>	Germany	Conglomerates	112.23	3.36	133.94	80.07
51	<u>Banco Bradesco</u>	Brazil	Banking	59.10	4.60	281.40	54.50
52	<u>Banco do Brasil</u>	Brazil	Banking	56.10	5.82	406.46	42.78
53	<u>Royal Bank of Canada</u>	Canada	Banking	35.41	3.58	608.05	78.17
54	<u>Intesa Sanpaolo</u>	Italy	Banking	50.71	3.56	877.66	44.67
55	<u>Samsung Electronics</u>	South Korea	Semiconductors	97.28	4.43	83.30	94.48
56	<u>France Telecom</u>	France	Telecommunications Services	65.92	4.30	132.06	62.39
57	<u>Sanofi-aventis</u>	France	Drugs & Biotechnology	41.99	7.54	114.85	98.07
58	<u>Ford Motor</u>	United States	Consumer Durables	118.31	2.72	194.85	41.80
59	<u>Commonwealth Bank</u>	Australia	Banking	31.84	3.81	500.20	75.10
60	<u>RWE Group</u>	Germany	Utilities	66.57	4.98	130.36	47.93

Downloaded on 6.5.2010 from [http://www.forbes.com/2010/04/21/global-2000-leading-world-business-global-2000-10\\_land.html?boxes=listschannellists](http://www.forbes.com/2010/04/21/global-2000-leading-world-business-global-2000-10_land.html?boxes=listschannellists)

**Appendix 2: Sources of evidence. Adapted from Yin (2009, p. 102)**

Source of Evidence	Strengths	Weaknesses
Documentation	<ul style="list-style-type: none"> <li>- stable, can be reviewed repeatedly</li> <li>- unobtrusive – not created as a result of the case study</li> <li>- exact – contains exact names, references and details of an event</li> <li>- broad coverage – long span of time, many events and many settings</li> </ul>	<ul style="list-style-type: none"> <li>- irretrievability – can be difficult to access</li> <li>- biased selectivity, if collection is incomplete</li> <li>- reporting bias, reflects (unknown) biases of the author</li> <li>- access – may be deliberately withheld</li> </ul>
Archival records	<ul style="list-style-type: none"> <li>- same as those for documentation</li> <li>- precise and usually quantitative</li> </ul>	<ul style="list-style-type: none"> <li>- same as those for documentation</li> <li>- accessibility due to privacy reasons</li> </ul>
Interviews	<ul style="list-style-type: none"> <li>- targeted – focuses directly on case study topics</li> <li>- insightful – provides perceived causal inferences and explanations</li> </ul>	<ul style="list-style-type: none"> <li>- bias due to poorly articulated questions</li> <li>- response bias</li> <li>- inaccuracies due to poor recall</li> <li>- reflexivity – interviewee gives what interviewer wants to hear</li> </ul>
Direct observations	<ul style="list-style-type: none"> <li>- reality – covers events in real time</li> <li>- contextual – covers context of “case”</li> </ul>	<ul style="list-style-type: none"> <li>- time consuming, and potentially costly</li> <li>- selectivity – broad coverage difficult without a team of observers</li> <li>- reflexivity – event may proceed differently because it is being observed</li> </ul>
Participant observations	<ul style="list-style-type: none"> <li>- same as those for direct observations</li> <li>- insightful into interpersonal behaviour and motives</li> </ul>	<ul style="list-style-type: none"> <li>- same as those for direct observations</li> <li>- bias due to participant observer’s manipulation of events</li> </ul>
Material artifacts	<ul style="list-style-type: none"> <li>- Insightful into cultural features</li> <li>- insightful into technical operations</li> </ul>	<ul style="list-style-type: none"> <li>- selectivity</li> <li>- availability</li> </ul>

### Appendix 3: MUHEC Low risk notification and approval



## NOTIFICATION OF LOW RISK RESEARCH/EVALUATION INVOLVING HUMAN PARTICIPANTS

*(All notifications are to be typed)  
(Do not modify the content or formatting of this document in any way)*

### SECTION A:

- Project Title** The identification and significance of organisational subcultures in an international energy company.  
**Projected start date for data collection** September 2009  
**Projected end date (for data collection)** October 2009
- Applicant Details** *(Select the appropriate box and complete details)*

#### ACADEMIC STAFF NOTIFICATION

**Full Name of Staff Applicant/s** \_\_\_\_\_  
**School/Department/Institute** \_\_\_\_\_  
**Region (mark one only)** Albany ☐ Palmerston North ☐ Wellington ☐  
**Telephone** \_\_\_\_\_ **Email Address** \_\_\_\_\_

#### STUDENT NOTIFICATION

**Full Name of Student Applicant** Carol Anne Reynolds ID 05008506  
**Postal Address** 7 Baltimore Place, Forrest Hill  
**Telephone** 410 8556 **Email Address** carol.reynolds@xtra.co.nz  
**Employer (if applicable)** N/A  
**Full Name of Supervisor(s)** Dr. Margaret Brunton  
**School/Department/Institute** BIM  
**Region (mark one only)** Albany ☒ Palmerston North ☐ Wellington ☐  
**Telephone** 414 0800 ext 9223 **Email Address** [M.A.Brunton@massey.ac.nz](mailto:M.A.Brunton@massey.ac.nz)

#### GENERAL STAFF NOTIFICATION

**Full Name of Applicant** \_\_\_\_\_  
**Section** \_\_\_\_\_  
**Region (mark one only)** Albany ☐ Palmerston North ☐ Wellington ☐  
**Telephone** \_\_\_\_\_ **Email Address** \_\_\_\_\_  
**Full Name of Line Manager** \_\_\_\_\_  
**Section** \_\_\_\_\_  
**Telephone** \_\_\_\_\_ **Email Address** \_\_\_\_\_



### 3. Type of Project (mark one only)

Staff Research/Evaluation:

Academic Staff

General Staff

Evaluation

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Student Research:

Qualification

Credits Value of Research

X
120

If other, please specify:

MMg

### 4. Describe the process that has been used to discuss and analyse the ethical issues present in this project.

(Please refer to the Low Risk Guidelines on the Massey University Human Ethics Committee website)

I am undertaking the research project under the supervision of Dr Margaret Brunton. She has instructed me about, and emphasised the importance of, the central role of the *Code of Ethical Conduct for Research, Teaching and Evaluations Involving Human Participants* from Massey University. I have read the Code, and understand that it provides protection through minimising harm for those participating in the research project, and in turn, myself. Dr Brunton and I have also discussed the ethical guidelines for data collection, analysis and presentation (including the importance of ethical principles in the Code). I understand that if anything in the research design changes, I may be required to seek full ethical approval.

### 5. Summary of Project

Please outline the following (in no more than 200 words):

#### 1. The purpose of the research, and

#### 2. The methods you will use.

(Note: ALL the information provided in the notification is potentially available if a request is made under the Official Information Act. In the event that a request is made, the University, in the first instance, would endeavour to satisfy that request by providing this summary. Please ensure that the language used is comprehensible to all)

The purpose of this research is to identify the existence of organisational sub cultures in a large, multinational energy company. This, in turn, will provide the basis for explaining and understanding where these subcultures overlap and diverge, and how this overlapping and divergence is significant for this business.

It is proposed that a values-based questionnaire, including both open-ended and closed questions, be developed. Values are central to many definitions of organisational culture and subculture, as they are perceived to guide action. The questionnaire will be based on a matrix of information related to both artefacts and non-observable cultural elements (such as stories and rituals). Data will be collected following office visits and a small focus group discussion. The questionnaires will be distributed to all organisation employees, and responses will be anonymous.

Responses will be subject to principal components analysis, and from this profiles of the distinct subcultures that are identified can be generated, and then compared for similar and dissimilar patterns or sets of values. This will enable conclusions to be made, based on existing theoretical models, about the way in which the subcultural groups impact on the target organisation.

Please submit this Low Risk Notification (with the completed Screening Questionnaire) to:

The Ethics Administrator  
Research Ethics Office  
Old Main Building, PN221  
Massey University  
Private Bag 11 222  
Palmerston North

**SECTION B: DECLARATION** *(Complete appropriate box)***ACADEMIC STAFF RESEARCH****Declaration for Academic Staff Applicant**

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants. I understand my obligations and the rights of the participants. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants. My Head of Department/School/Institute knows that I am undertaking this research. The information contained in this notification is to the very best of my knowledge accurate and not misleading.

Staff Applicant's Signature \_\_\_\_\_

Date: \_\_\_\_\_

**STUDENT RESEARCH****Declaration for Student Applicant**

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and discussed the ethical analysis with my Supervisor. I understand my obligations and the rights of the participants. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants. The information contained in this notification is to the very best of my knowledge accurate and not misleading.

Student Applicant's Signature \_\_\_\_\_

Date: \_\_\_\_\_

**Declaration for Supervisor**

I have assisted the student in the ethical analysis of this project. As supervisor of this research I will ensure that the research is carried out according to the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants.

Supervisor's Signature \_\_\_\_\_

Date: \_\_\_\_\_

Print Name \_\_\_\_\_

**GENERAL STAFF RESEARCH/EVALUATIONS****Declaration for General Staff Applicant**

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and discussed the ethical analysis with my Supervisor. I understand my obligations and the rights of the participants. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants. The information contained in this notification is to the very best of my knowledge accurate and not misleading.

General Staff Applicant's Signature \_\_\_\_\_

Date: \_\_\_\_\_

**Declaration for Line Manager**

I declare that to the best of my knowledge, this notification complies with the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and that I have approved its content and agreed that it can be submitted.

Line Manager's Signature \_\_\_\_\_

Date: \_\_\_\_\_

Print Name \_\_\_\_\_



# Massey University

11 June 2009

Carol Reynolds  
7 Baltimore Place  
Forrest Hill  
**NORTH SHORE 0620**

**OFFICE OF THE ASSISTANT  
TO THE VICE-CHANCELLOR  
(RESEARCH ETHICS)**  
Private Bag 11 222  
Palmerston North 4442  
New Zealand  
T 64 6 350 5573  
64 6 350 5575  
F 64 6 350 5622  
[humanethics@massey.ac.nz](mailto:humanethics@massey.ac.nz)  
[animalethics@massey.ac.nz](mailto:animalethics@massey.ac.nz)  
[gtc@massey.ac.nz](mailto:gtc@massey.ac.nz)  
[www.massey.ac.nz](http://www.massey.ac.nz)

Dear Carol

**Re: The Identification and Significance of Organisational Subcultures in an International Energy Company**

Thank you for your Low Risk Notification which was received on 10 June 2009.

Your project has been recorded on the Low Risk Database which is reported in the Annual Report of the Massey University Human Ethics Committees.

The low risk notification for this project is valid for a maximum of three years.

Please notify me if situations subsequently occur which cause you to reconsider your initial ethical analysis that it is safe to proceed without approval by one of the University's Human Ethics Committees.

Please note that travel undertaken by students must be approved by the supervisor and the relevant Pro Vice-Chancellor and be in accordance with the Policy and Procedures for Course-Related Student Travel Overseas. In addition, the supervisor must advise the University's Insurance Officer.

**Please ensure that the following statement is included in all information provided to participants during recruitment (eg, information sheet, preamble to questionnaire, etc):**

*"This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named above are responsible for the ethical conduct of this research."*

*If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor Sylvia Rumball, Assistant to the Vice-Chancellor (Research Ethics), telephone 06 350 5249, e-mail [humanethics@massey.ac.nz](mailto:humanethics@massey.ac.nz)."*

Please note that if a sponsoring organisation, funding authority or a journal in which you wish to publish requires evidence of committee approval (with an approval number), you will have to provide a full application to one of the University's Human Ethics Committees. You should also note that such an approval can only be provided prior to the commencement of the research.

Yours sincerely

Sylvia V Rumball (Professor)  
**Chair, Human Ethics Chairs' Committee and  
Assistant to the Vice-Chancellor (Research Ethics)**

cc Dr Margaret Brunton  
Department of Management and  
International Business  
**Albany**

Assoc Prof John Monin, HoD  
Department of Management and  
International Business  
**Albany**

#### Appendix 4: Procedures to ensure ethical obligations of researcher are met

Procedure	Activity	Outcome
Define type of approval required	Refer to Massey University Guidelines for Participation in Research	Low risk sought
Ethical approval from Massey University Ethics committee completed and submitted	Completion of Approval form	Approved 11 June 2009 (see Appendix 3, p. 147)
Request for volunteers – Outline procedures in place that ensure informed consent and right to privacy for volunteers so they can make informed decision about whether or not to participate	Invitation to participate letter compiled and distributed to PD members (see Appendix 5, p. 152)	Invitation sent 12 November 2009
Information sheet	Information sheet handed by researcher to participants at start of interview (see Appendix 6, p. 156)	Verbal acknowledgement that participant has understood the information detailed in the Information Sheet (recorded as part of interview)
Explanation of rights as participants during the interview procedure	Verbal explanation of rights during interview procedure	Verbal acknowledgement that participant has understood their rights during the interview procedure (recorded as part of interview)

## Appendix 5: Information sheet for potential participants



College of Business

Albany Campus

### **The identification and significance of organisational subcultures in an international energy company.**

#### **Introduction**

Thank you for considering taking part in this research project. The purpose is to gather data to identify the dynamics surrounding organisational subcultures within your organisation.

Postgraduate student, Carol Reynolds, who currently lives in Stavanger, is completing a Master of Management degree program through the College of Business, at Massey University, New Zealand. Her research interests are focused on organisational culture, cross-cultural communication and management communication. While much has been written about some aspects of the energy industry, for example safety and exploration, very little has been published in relation to cultural aspects. In order to address this, Carol has chosen to do the research for her thesis at this organisation, and will examine the factors that may have contributed to the development of organisational subcultures, how these subcultures are maintained, and how subcultural groups influence the day-to-day activities of organisational life within the Procurement Directorate.

#### **Project Description and Invitation**

The focus of this study is to identify and define what, if any, subcultures exist in the organisation. This will enable a description of their nature and extent, and suggest possible explanations for their development and maintenance. In addition this research will describe differences between, or similarities among, the identified subcultures, and how these similarities and differences influence the day-to-day activities of organisational life.

Your participation in this research project is important. Volunteering will enable the researcher to collect data using information from interviews with you. The interviews would require no special preparation, other than a willingness to talk about what you do on the job on a daily basis. That would include talking about your understanding of "how things are done around here", for example, the type of work you do, the people you communicate with, and what things you think make your department special and unique from other departments, and the organisation as a whole.



### **Participant Identification and Recruitment**

Volunteers will be sought from among the staff of the Procurement Directorate at the Stavanger Head Office in Tananger. You do not need any special qualification, other than to be a member of this Directorate. Volunteers who want to participate should contact the Directorate Administrator, by Wednesday Nov 18<sup>th</sup>. It is hoped that feedback will be obtained from between 14 and 18 people, representing approximately 4 people from within each of the 4 departments within the Directorate, will volunteer. Because of the nature of the research, it is not anticipated that the participants will be exposed to any physical or psychological discomforts or risks.

### **Project procedures**

The data collection procedure will be in the form of one-on-one, semi-structured interviews, conducted by the researcher. Interviews will be conducted in the conference room within the Directorate. Each interview is to be recorded, unless the participant asks for the recording equipment to be turned off. The recorded conversations will, once all the interviews are complete, be transcribed, and analysed by the researcher to identify common themes related to the concepts under investigation – in this case organisational culture and subcultures, and specifically common themes relating to culture, such as activities, language, events, and behaviours that occur among all departments as well as those relating to cultural phenomenon which are unique to single departments. These findings will then be interpreted in relation to current theory relating to organisational subcultures.

It is envisaged that each interview will take around 45 minutes, with an additional 5-10 minutes prior to the interview in order to complete a short written questionnaire designed to collect demographic and personal information, such as how long you have worked with the organisation, your age range, gender and nationality, and some questions about your profession. This data is necessary to help understand how different types of people respond to different cultural experiences in the workplace.

### **Data Management**

The data will be used to provide information about the nature and extent of organisational subcultures within the Directorate.

After interview data is recorded, the digital recording device used to collect it will be locked in a secure location at the researcher's home. Once interview data has been collected from all participants, it will be transcribed by the researcher (no another third party will be involved) and saved on a password protected flash drive, which

will then be kept in the secure location at the researchers home until the project is submitted in November 2010. When the research project is complete, the digital recordings and the transcribed conversations will be erased.

No single individual will be identified and total anonymity and confidentiality are assured.

Each participant in this research project is entitled to access to a summary of the project findings. Once a summary has been completed, a copy will be forwarded to the Director and the Directorate Administrator. The researcher will ask that they notify all participants that a copy is available.

#### **Participant's Rights**

You are under no obligation to accept this invitation. If you decide to participate, you have the right to:

- decline to answer any particular question;
- withdraw from the study at any time before or during the interview process);
- ask any questions about the study at any time during participation;
- provide information on the understanding that your name will not be used unless you give permission to the researcher;
- be given access to a summary of the project findings when it is concluded;
- ask for the recorder to be turned off at any time during the interview.

#### Project Contacts

The researcher carrying out this study is Carol Reynolds, post-graduate student, College of Business, Department of Management and International Business, Massey University, Albany, New Zealand. She can be contacted by telephone or email below should you have any questions regarding any aspect of this project.

Carol Reynolds - telephone: 4578 1163/email: [carol.reynolds@xtra.co.nz](mailto:carol.reynolds@xtra.co.nz)

The researcher's supervisor is Dr Margaret Brunton, Senior Lecturer, Department of Communication, Journalism and Marketing, College of Business, Massey University, Private Bag 102 904, North Shore MSC, Auckland 0745, New Zealand. Phone: +64 9 414 0800 x 9223. Fax: +64 9 414 0826. Email: [M.A.Brunton@massey.ac.nz](mailto:M.A.Brunton@massey.ac.nz). Participants are invited to contact Dr Brunton if they have any queries or comments in relation to this research project.

"This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named above are responsible for the ethical conduct of this research.

If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor Sylvia Rumball, Assistant to the Vice-Chancellor (Research Ethics), telephone 06 350 5249, email [humanethics@massey.ac.nz](mailto:humanethics@massey.ac.nz)".



## Appendix 6: Information for interview participants



College of Business

Albany Campus

### **The identification and significance of organisational subcultures in an international energy company.**

#### **Introduction**

Thank you for agreeing taking part in this research project. As stated in the information that was sent to all members of the Procurement Directorate on 12 November I am conducting a research project to gather data that will enable me to firstly, identify what if any subcultural groups exist in this directorate, and secondly explain and understand the dynamics of these in this context.

I am a postgraduate student completing a Master of Management degree program through the College of Business, at Massey University, New Zealand. My husband's work commitments dictate that we live in Norway and this is our second posting to Stavanger. However this has proved to be very beneficial given my research interests are focused on organisational culture, the energy industry, cross-cultural communication and management communication. While much has been written about some aspects of the energy industry, for example safety and exploration, very little has been published in relation to cultural aspects. In order to address this, I am grateful for the opportunity provided by your organisation to conduct research investigating factors that may have contributed to the development of organisational subcultures, how these subcultures are maintained, and how subcultural groups influence every day activities of organisational life within the Procurement Directorate.

Your participation in this research project is important. It enables me to collect data using information from interviews with you. The interviews require no special preparation, other than a willingness to talk about what you do on the job on a daily basis. I will ask you questions about "how things are done around here", the type of work you do, the people you communicate with, and what things you think make your department special and unique from other departments, and the organisation as a whole.

#### **Project Procedures**

One part of the data collection procedure is a one-on-one, semi-structured interviews. Interviews will be conducted in the conference room within the Directorate. I ask your permission to record our interview. The recorded conversations will, once all the interviews are complete, be transcribed, and I will analyse your contribution to identify common themes related to the concepts under investigation – in this case organisational culture and subcultures, and specifically common themes relating to culture, such as activities, language, events, and behaviours that occur among all departments as well as those relating to cultural phenomenon which are unique to single departments. These findings will then be interpreted in relation to current theory relating to organisational subcultures. It is envisaged that this interview will take around 45 minutes.

#### **Data Management**

The digital recording device I use to record our conversation will be locked in a secure location at my home. Once interview data has been collected from all participants, it will be transcribed by the researcher (no another third party will be involved) and saved on a password protected flash drive, which will then be kept in the secure location at my home until the project is submitted in November 2010. When the research project is complete, the digital recordings and the transcribed conversations will be destroyed.

No single individual will be identified and total anonymity and confidentiality are assured.

Each participant in this research project is entitled to access to a summary of the project findings. Once a summary has been completed, a copy will be forwarded to the Director and the Directorate Administration Assistant. The researcher will ask that they notify all participants that a copy is available.

#### **Participant's Rights**

Having agreed to participate, you have the right to:

- decline to answer any particular question;
- withdraw from the study at any time before or during the interview process);
- ask any questions about the study at any time during participation;
- provide information on the understanding that your name will not be used unless you give permission to the researcher;
- be given access to a summary of the project findings when it is concluded;
- ask for the recorder to be turned off at any time during the interview.

#### Project Contacts

The researcher carrying out this study is Carol Reynolds, postgraduate student, College of Business, Department of Management and International Business, Massey University, Albany, New Zealand. You can contact me by telephone or email below should you have any questions regarding any aspect of this project:

Carol Reynolds - telephone: 4578 1163/email: [carol.reynolds@xtra.co.nz](mailto:carol.reynolds@xtra.co.nz)

My supervisor is Dr Margaret Brunton, Senior Lecturer, Department of Communication, Journalism and Marketing, College of Business, Massey University, Private Bag 102 904, North Shore MSC, Auckland 0745, New Zealand. Phone: +64 9 414 0800 x 9223. Fax: +64 9 414 0826. Email: [M.A.Brunton@massey.ac.nz](mailto:M.A.Brunton@massey.ac.nz). You may contact Dr Brunton at any time if you have any queries or comments in relation to this research project.

Massey University Human Ethics Committee

"This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named above are responsible for the ethical conduct of this research.

If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor Sylvia Rumball, Assistant to the Vice-Chancellor (Research Ethics), telephone 06 350 5249, email [humanethics@massey.ac.nz](mailto:humanethics@massey.ac.nz)".

Once again, thank you for participating in this research project. Your participation is appreciated and will add greatly to the insights that are revealed as part of this research.

**Appendix 7: Interview record sheet**

Date	Recorded YES NO	
Venue		
Time		
Organisational culture	Directorate culture	Unit Culture?

Other comments

### Appendix 8: Data sources – activity, aim and rationale

Data source	Activity	Aim	Rationale
Interview	Guided (or focused) semi-structured interview	Draw out perceptions related to day-to-day activities and interactions, communication patterns, and insights of culture	To identify possible differences among PD members related their activities, interactions and communication that may indicate the existence of to subcultural groups
Analysis	Content analysis-development and application of coding system based on context units	To reduce data in order to identify themes, recurring patterns and behaviours that	
Data Source	Activity	Aim	Rationale
Observation	Observe day-to-day behaviours, interactions and events	Reveal patterns of behaviours, interactions and events.	To identify possible similarities and differences among PD members related to their activities that may point to the existence of to subcultural groups
Analysis	Content analysis-development and application of coding system based on context units	To reduce data in order to identify relevant themes that reveal recurring themes and patterns of behaviour.	
Procedure	Activity	Aim	Rationale
Material manifestations	Scrutinize the material environment of the PD and wider organisation		Provide collaborative data to refute or support findings from other sources
Analysis	Content analysis-development and application of coding system based on context units	To reduce data in order to identify relevant themes that reveal cultural patterns and behaviours	

## Appendix 9: Semi structured interview questions

### Interview Questions – Guidelines

Thank you for agreeing to participate in this research project. Before we get started I need to tell you about the rights you have as a participant in this research and responsibilities I have toward you. These rights and responsibilities are set out in the Code of standards, and a summary of these together with contact details of the Chair of the ethics committee, my supervisor and myself are contained in this Information sheet.

This research project is looking at aspects of organisational culture within this organisation, specifically, organisational subcultures. In order to see if subcultures exist, and then, if they do, to define and describe them, I need to collect information from people who work here about the way they do their jobs. So

1. I know there are 4 units that make up this directorate. Could you tell me which one you work for?
2. How long have you been doing this job? And for the organisation altogether?
3. People seem to stay working for this organisation for a long time. I noticed while I was walking around the offices the other day that several of your colleagues had certificates marking their 30-year anniversaries? Every issue of the company magazine lists the names of people who have celebrated a milestone. Why do you think people stay in their jobs so long?
4. What is it about this organisation in general, and this directorate in particular, that makes people want to stay?

5. Can you tell me about your professional background. Did you do your training in a formal setting, or is most of your training "on the job"? What parts of your professional training are relevant to the job you do here?
6. Is there much specialist language, or jargon, associated with your profession?
7. Do you think the profession you belong to has a distinct culture? Why? Why not?
8. How important to you is your profession? Do you tend to think of yourself first as a [ZAOC] employee, or procurement professional? Could you explain why?
9. If you have a job related problem or challenging situation where do you usually turn to?
10. Who do you mainly work with on a day-to-day basis?
11. What is the main way that you find out about things that are going on in the PD?
12. How do you find out about what is going on in the organisation as a whole?
13. Would you say are the most important principles or ideals that you work by in this directorate?
14. So could you tell me what you understand to be the main purpose or aims of this directorate?
15. Could you tell me what you understand the main purpose or aims of the organisation as a whole are?
16. Thinking about the organisation as a whole, if you had to describe its culture, which 6 or 8 words would you choose?
17. Would you choose the same words to describe the culture of this department? If not, which other words would you choose as best representing the culture of this department?



18. Thinking about the organisation as a whole, if you had to describe its culture, which 6 or 8 words would you choose?

19. Looking at the two sets of words you have chosen to describe the culture of the organisation and the department, why do you think the culture of the organisation as a whole and the culture of this department are similar or different?

20. Would you say that the culture of the unit in which you work is the same as the culture of the Directorate? Again, what things do you think might account for any similarities or differences?

21. Have there been any significant events or activities that have changed the culture of the organisation?

22. What is the main language you speak in the office? Do you ever use your native language when there are others present for whom this is not their first language?

23. How do you find working with people who do not share your cultural background?

24. What do you think is the best thing about working in this unit, and the most challenging thing. Why?

25. Is there anything else you would like to tell me about the way you do your job?

### Appendix 10: Observation research framework

Step	Activity
1. Choose site	Fixed by organisation. HQ office of ZAOC Norge
2. Choose observation points	<p>Include:-</p> <p>PD – sofa area and coffee machine</p> <p>PD2 portacabins</p> <p>Coffee station – outside PD on 4<sup>th</sup> floor</p> <p>Canteen</p> <p>Reception</p>
3. Choose study time periods	Fixed by organisation. To start no earlier than 9am and finish no later than 4pm (depending on commitments of the admin assistant) but always included core hours of work (10am to 2 pm) starting or finishing earlier
4. Decide on continuous observation or sampling	Sampling or Continuous? Quantitative research tends to favour continuous observation as the aim is to reveal behaviours and interactions of subjects
5. Decide on number and length of sampling periods	Fixed by organisation – 12 in total, averaging 5 hours per visit. Combination of observation only (5), and observation and scheduled interviews (7)
6. Decide on what to observe	Behaviours of subjects at observation sites
7. Divide site into zones	N/A
8. Design a recording sheet	See Appendix 11 (p. 166) for sample fieldwork observation sheet
9. Conduct study	November and December 2009
10. Analyse data	Content analysis using categories identified at interview stage

### Appendix 11: Fieldwork sheet - observation (sample)

Observation ✓	Notes
Date:- 9 November 2009 12.40	Place: - Approach/Exterior/Car park
Six people waiting at taxi rank. Nine people standing adjacent to entrance awning SMOKING	
<p>Receptionists deal with 4 people while I wait and opened glass swing access gate on numerous occasions for people who had swipe cards which failed to operate other gates.</p> <p>Greeted with smile by one receptionist. Informed her (all reception staff female) who I was visiting/time of appointment. SN name queried 3 times, but eventually appt found. Was asked my name, and whether I was with a company or not, then asked to wait, and told someone would be down to collect me</p>	<p>Reception. Building entered via pair of automatic sliding doors which are located under permanent awning.</p> <p>Reception desk, to left as one enters through a second set of auto doors. Desk across length of this area with no access from waiting area. Desk at normal height with raised upstand. Two computers visible. Two receptionists on desk, both mature ladies dressed in purple shirt/shirt combo. Shirt has ZAOC logo, as do little neck scarves, worn by one receptionist as scarf and the other poked into breast pocket. Behind this is large, glass fronted office. In front are three entrance points to gain access; first a glass swing gate that is controlled by the receptionists, and second two glass gates operated by swipe cards.</p> <p>To right is U-shaped and carpeted reception/seating area. Very modern red chairs (5 or 6) back onto external window, and are separated into two groups by low coffee table. Coffee table laid out with recent copies of ZAOC global magazine. On other long side of triangle, along partition that separates corridor from seating area, several high tables, and stools. One high table is laid out with coffee machine/cups etc, the other has more copies of corporate magazines</p>
Group of 4 (3M/1F) waiting by high stools. Speaking Norwegian. All carried document wallets/briefcases. Were joined by 4 more people and left the building together	
As PD AA approached I was called over and issued with a plastic wallet. It contained my details and name of who I was visiting, date, time, etc, and a card with a map of the building on one side and a list of responsibilities and obligations expected by me while in the building.	

### Appendix 12: Material manifestations research framework.

Step	Activity
1. Choose site	Fixed by organisation. HQ office of ZAOC
2. Choose material manifestations	<p>To include, but not be limited to:-</p> <p>Organisation wide documents, e. g. newsletter, and annual reports</p> <p>PD documents, e. g. procedure manuals, workflow checklists, organisation charts</p> <p>Layout and appearance of office spaces</p> <p>Layout and appearance of shared spaces</p> <p>Other material elements of culture that may be relevant to the study</p> <p>Main reception area</p> <p>Public relations department</p>
3. Choose study time periods	Documents less than two years old
4. Design a recording sheet	See Appendices 11 and 13 (pp. 166 and 168) for sample fieldwork sheets observation and material manifestations
5. Conduct study	Collect data
6. Analyse data	Content analysis using categories identified at interview stage

### Appendix 13: Fieldwork sheet - material manifestations (sample)

Sample of data collection form used for material manifestations

Document	Comments
<b><i>The importance of completed staff work</i></b>	<ul style="list-style-type: none"> <li>- A3 sized pamphlet</li> <li>- photocopied</li> <li>- pages 9</li> <li>- issued to all PD staff mid 2008</li> </ul>
Introduction	p. i
The importance of completed staff work. What is it? Why is it needed?/ How to do it?	p. 1
What is delegation?	p. 1
What is completed staff work?	p. 1
The confusion over 'staff' and 'line'	p. 2
If you are a manager...	p. 3
If you are an advisor...	p. 3
"The real test of completed staff work is whether you have worked through your part of the problem to the point where your manager can indicate his approval or disapproval of the project by simply saying "yes" or "no".	<ul style="list-style-type: none"> <li>- final para of this section</li> <li>- in bold</li> </ul>
The advantages of completed staff work	p. 4
Frequent shortcomings of staff work	p. 5
What are we looking for?	p. 5
How to prepare completed staff work	p. 5
Organisation is the key to good staff work	p. 6
The introduction	p. 7
The conclusions	p. 7
The recommendations	p. 8
The text	p. 8
Some useful hints for the advisor	p. 9
The final test	p. 9
The last word	p. 9
"When all is said and done, completed staff work is merely the product of an organised approach to problem solving. If practiced on a continuing basis, consistent "finished packages" will not only benefit XXXX Inc but the individual as well"	<ul style="list-style-type: none"> <li>- concluding paragraph</li> </ul>

### Appendix 14: Example of content analysis process

Root Word or phrase	Cluster	Organisational entity
Pride Reputation/high status Security of employment Provision of employment Longevity of business Success Well-known/famous Among the first	Positive contribution to society	Overarching organisation
High salary/compensation Perks Hyttas Canteen Transport to/from work On-site crèche/childcare Financial subsidies (car etc)	Benefits	SC3
Record keeping Too many meetings Too many rules Checking Procedure Process Guidelines Time wasting Time consuming Dead time Inefficient Can't do job properly Paperwork Unnecessary Frustrating/frustration Trust/lack of Box ticking Trained monkeys	Bureaucracy	SC3

<b>Word or phrase</b>	<b>Cluster</b>	<b>Organisational entity</b>
Chat Popping in and out Beer money Info sharing Evenings out Support Friendship Coffee machine Face-to-face Talk to each other Informal	Friendship	SC4 (gender group)