

## 11. Conclusion

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This ethnography has centred on the two research questions of how misunderstandings shape an organisational system and why they can be understood as a productive element of organisational functioning. Based on Luhmann's Systems Theory I identified communication as the constitutive operation for social systems and presented working misunderstandings as a crucial phenomenon for maintaining the flow of communication and the function of the organisational system.

My conclusions have built on ethnographic cases of the interactions, conversations and events I observed (and sometimes also participated in) between February 2013 and June 2014 in and around the offices of Advice Company. Some of the situations described, concerning the organisational structure, the hierarchy and status of job types and the collaboration and interaction processes, are probably very familiar to the readers. As most of us are members of a complex organisation, readers may find that the practices described here resemble their personal experiences – even if the analytical perspectives might suggest new and sometimes counterintuitive points of view. Other case studies might seem unusual or different, though these again may describe situations that are similar to those encountered by readers who have ever started a job in a new company or university. Those who can recall such a moment most likely vividly remember the challenging first weeks of adjusting to a different organisational framework and discovering its tacit ways of working without falling into its many pitfalls. Consequently, some of the practices and structures I have analysed might be similar to those that recur across many MNCs in the professional services sector. Others might be unique to Advice Company as an organisation. It is difficult to draw this line. However, an analytical focus I deliberately avoided was the role played by the Indian location of the fieldwork.

### 11.1. How “Indian” is Advice Company?

Advice Company is an MNC of Western origin that launched its Indian operations during the country’s economic liberalisation in the late 1980s and early 1990s (Nayak 2011: 38). Following economic reforms that deregulated governmental regulations, both Indian organisations and foreign MNCs sought to benefit from the emerging markets and opportunities. Although several foreign MNCs (such as many in the steel sector) were already operating plants in India at that time, the early 1990s led to a significant increase in global players within the consumer goods and services sectors in the Indian market (Mazumdar 2012: 28-31). The offices in which I conducted my fieldwork are located in an Indian megacity that was referred to by my interlocutors as “the country’s cultural melting pot”. On the basis of my own experiences working at regional head offices of MNCs in capital cities around the world, I had expected to find several nationalities amongst my interlocutors, at least at Advice Company’s main office. Instead, apart from two European employees who had migrated to India several years back and a handful of colleagues from India’s direct neighbouring countries, all of the employees, contractors and freelancers I interacted with were Indian citizens. They came from all over India and represented groups that could be connected to the Indian middle classes, with their “knowledge based occupation, a career-oriented work-culture and valorization of education” (Panini 2015: 19). In particular, employees who were younger than 35 were also international travellers; some of them had lived, studied or worked abroad for extended periods of time, much like myself. In light of this organisational framework and my interlocutors’ presuppositions, the question arises: What role did India and a group of interlocutors who were almost exclusively Indian play in this research?

Studies of the IT services and development industry have emphasised differences in the organisational practices of Indian IT companies, relative to their European counterparts (Upadhyay 2016); the different use of workforces between German and Indian MNCs (Mayer-Ahuja 2011a); and the differences in workplaces between Indian and German companies (Gupte and Müller-Gupte 2010). Drawing on dimension-based models of organisational culture, other works have considered MNCs “not only a manifestation of globalisation”, but also “an embodiment of the fundamental values of capitalism” (Shah 2015: 37), and voiced the hypothesis that employees of MNCs in India show lower levels of social/family collectivism than their colleagues in Indian organisations (*ibid.*: 44). Similarly, one study sought to trace which “Indian societal

values influence the organisational culture in three MNCs operating in India" (Khandelwal 2009: 125) through an application of Hofstede's dimensions of individualism/collectivism and high/low power distance. As I was unable to gain insight into Advice Company's work practices at their overseas offices (apart from the limited insight provided by Cory's perspective on the city office, as discussed in Chapter 10, Section 10.5.4) and brought forward my concerns to employ dimension-based concepts relating to the metaphor of "organisational culture" (Section 2.2), it would be presumptuous of me to even attempt to answer the question of how "Indian" Advice Company is. Instead, I asked the experts – my interlocutors – during interviews and informal conversations about the extent to which Advice Company could be considered, in their opinion, an "Indian" company. It might not be surprising that their answers turned out to be as differentiated as the complex organisation, itself. The following selection of quotes seeks to convey an impression of the employees' answers across the different offices, job types and work experiences:

Advice Company is very different to an Indian public sector bank. There you can find the typically Indian office. People leave at 4.30pm if things are done or not. And there are rigid hierarchies. Here is more a modern environment with different [longer] work times and more open attitude.

If you want to see Indian work culture, then you have to go to government offices. Women wear sarees and the senior-most person never works – they get the work done from juniors. Here at Advice Company it's not that way: everybody works. And here's no attitude, you talk to your manager and even the director.

Before I joined I expected a cold and distant climate at an MNC, but I found friends and a good work environment.

You can see it's an MNC because there is no "Sir" or "Maam" culture. But we kind of follow hierarchy here that would be more Indian. I worked with a different MNC before and we did not have this there.

Any office in India would just be like that: the boss plays a key role, we have a high dependency and orientation on the manager.

It's a typically Indian work culture: there is no law. You can make the person work for more than the required time the person is paid for – and it's still okay.

People here rely less on processes and more on people. Every client has a one favourite employee they can rely on. That's typically Indian.

In spite of this diverse set of statements, however, an implicit idea of “Indianness” in the context of business organisations is conveyed. This notion of “Indianness” manifests itself in the image of public sector and government offices, which is contrasted with a fictitious process-orientated Western organisation with fewer traits of the “Indian office”. Only one of my interlocutors, who had briefly lived in Tokyo, mentioned other organisational contexts. This interlocutor reflected on Japanese firms’ lifetime employee perspective, which stands in contrast to the higher rate of job changes in India.

The quotes from other interlocutors centre on shared ideas of “typical Indian offices” relating to hierarchical power relationships in various manifestations and levels of sociality. Rigid hierarchies with impermeable communication chains were perceived as opposed to the modern “open attitude” and approachability of managers, as represented by the use of first names in MNCs. The employees thus considered “Indianness” to describe a high level of sociality with an emphasis on personal relationships, in contrast to a “cold”, process-orientated work environment, as typically found in an MNC. While the fixed office hours of public organisations were contrasted with Advice Company’s flexible work hours in a positive and client-centric connotation, another view was rather critical, relating to forced unpaid overtime work. The differing rating of unfixed work times expresses the organisation’s discourse on the opaque meaning of client centricity and the differently perceived consequences of this orientation. These contradicting opinions led the employees to select different reference points for their ideas of “Indianness”. In one case, Advice Company was not contrasted to a government office but to another MNC in the private sector economy; in this comparison, Advice Company was presented as more “Indian”. Similarly, other colleagues compared Advice Company to government offices or to other MNCs.

Advice Company’s “Indianness” is therefore relative to the point of reference selected by each interlocutor: compared with a public sector bank, the practice of addressing colleagues by the first name makes Advice Company less “Indian”; reversely, an MNC with an independent work orienta-

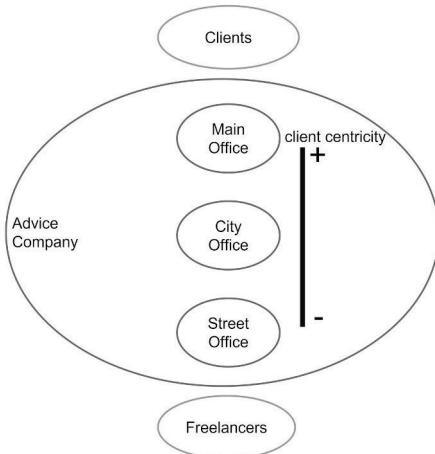
tion between managers and mentees positions Advice Company as more “Indian”. The statements localise experienced or (stereotypically) inferred organisational frameworks in relation to perceptions of Advice Company. This leads me to conclude that a shared notion of “Indianness” can be assumed to exist. However, at Advice Company, my interlocutors saw stronger or weaker traits of “Indianness” in the organisation, depending on their chosen point of reference. This assertion leads me back to my focus on communication in the organisational analysis.

## 11.2. Advice Company as a client-centric social system

Part I (chapters 4–6) showed that Advice Company comprises a social system with both clients and freelancers in its differentiated environment. Clients and freelancers play a significant role in constituting and maintaining the organisational boundaries: interactions with each of these systems in the environment are managed by functions that specialise in boundary work. Advice Company controls this interactional openness through information selection, dedicated transmission formats and differentiated locations. While the interaction with clients and freelancers is structurally similar, the two types of interaction play complementary roles for the organisation. Clients provide the monetary resources by which the organisation is maintained. Through their orders and the subsequent revenues, Advice Company is able to maintain its organisational activity, which includes hiring freelancers for work tasks. As the initial impulse for a project originates from clients, clients are of upmost importance to the organisation. The freelancers receive monetary compensation and therefore occupy the other end of the perceived hierarchy scale. This is reflected in the location of the interaction: while clients are received in the main office’s meeting rooms, which feature tea, coffee and biscuits, the freelancer zone in the street office features plastic chairs and lacks air conditioning.

Advice Company’s internal differentiation is consequently structured according to the value client centrality (Figure 28). Differences between the three offices in size, access procedures and equipment mirror the functions they host in relation to distance to the client. Consultants, who directly interact with clients, not only fulfil the most prestigious job in the organisation, but they are also located in the sleek, spacious and “corporate” main office next to the organisation’s top managers. In contrast, employees who deal directly

Figure 28: Client centrality scale



with the freelancers refer to themselves as the “simple people”. They work in the “suburban”, windowless and sparsely equipped street office with the freelancer’s zone upstairs. The city office depicts an intermediary position on the scale, with its light ceiling and decent facilities as the workplace of those whose function is to support client consultants across the world, including those from the main office.

Furthermore, the internal role differentiation and job status on the micro-level, independent of formal management hierarchies (as demonstrated in the relationship between consultants and project managers in the main office) is also aligned with the value client centrality. This status differentiation repeats itself in the city office between the standard and embedded teams: although the job tasks are similar (if not identical), the former teams maintain a lower status due to their lack of direct attachment to an overseas consultant manager and hence greater distance to the client than their peers on the embedded teams.

Even in spatial terms, client centrality is the metaphorically more valued paradigm: when briefing projects and tasks, clients provide “downloads” to consulting teams, who give “downloads” to project coordinators. From their desks on the sixth floor of the main office, client consultants therefore trigger a proverbial downwards slope to communicate with the “ground reality” –

the opposite of client centricity in a state of hierarchical opposition (*sensu* Dumont, 1980 [1966]).

As I showed in Part II, the value client centricity not only steers the organisational structure, but also shapes the working patterns around client projects. Both project planning processes and mechanisms of collaboration are based on notions of client centricity, with employees who are closest to the client making a conscious selection of information about the client project for subsequent teams. The relevance of client centricity for the organisation is thus apparently so high that its self-determined structures are geared up to select stimuli from the environment according to this guiding difference, and internal sub-systems repeat this selection process in the same way.

### 11.3. Guiding difference as working misunderstandings

#### 11.3.1. The opacity of client centricity

In spite of its relevance for Advice Company, client centricity remains a value of surprising opacity. For example, exactly how far an employee's client-centric attitude should go is unclear to the employees. The point at which client centricity should end is – in every team and situation – subject to negotiation. Should it end at 11.00pm, or when a client request is perceived as utterly senseless? When an employee is in bed with a feverish cold? Or when a client treats an employee disrespectfully over the phone? In attempting to grasp client centricity I have shown an array of its representations, such as the awards (displayed on desks) granted by clients or Advice Company for outstanding performance and the corresponding narratives of my interlocutors' most remarkable projects. The city office employees' eagerness to give meaning to their countless hours of presentation slides formatting through their "analysis" work and their desire to pursue a career path to a client consulting role or to "move to the client side" are other relevant examples.

Similarly, the main office – located on the sixth floor of a building with large glass windows providing stunning views over the area – is the client interaction hub and, with its "corporate" atmosphere, represents client centricity. This location is nevertheless characterised by contradicting notions of distraction, success and fear. These contradictions, the different representations and employees' constant negotiations illustrate that client centricity remains a perpetual working misunderstanding – a value that allows all inter-

acting parties to attach their own meanings. This enables the organisational system to continue its operations without encountering dissonance across its sub-systems. If Advice Company were to attempt to define client centricity, it would most likely not be able to accommodate the broad set of understandings under which this highly differentiated complex organisation operates. The working misunderstanding of client centricity is not an obstacle, but one of the conditions of successful organisational functioning.

### 11.3.2. Ground reality as a corrective limit

The organisation's dominant value client centricity with its different, context-related meanings is counter-balanced by an opposing value which is less explicitly expressed and similarly opaque. As the second value of the organisation's guiding difference it is perceived as a force running against client centricity which is subordinated and therefore not explicitly named. I have decided to call this value ground reality as it is a term used by my interlocutors in the context of causing irritations to the client centric work processes. I have subsumed all the different notions of opposition to client centricity in the value ground reality, which has a different meaning depending on the context.

Ground reality finds its most seizable manifestation in the street office – the bare, functional and slightly worn location on a side street of a “rather suburban area”, as an employee described it. Ground reality furthermore finds indirect representation at the main office through the specialised function of project coordinators, who manage the translation from client-centric sub-systems to the execution teams. The ground reality is the predominant cause of issues and escalations on client projects – the most prevalent examples of unmet client centricity in the organisation. Such issues might be due to the execution teams, or due to their freelancers, who may cause a delay by not delivering on time or not performing tasks to the required quality. At the same time, the ground reality serves to correct client expectations and delineates the boundary of client centricity. With these representations, it becomes apparent that ground reality is a working misunderstanding that allows for parallel encoding. The representations further suggest that ground reality is incompatible with client centricity, as shown in the division of formatting tasks from “analysis” in the city office.

But the ground reality is also represented in the data produced by the freelancers, which constitute the basis of a successful client project. In Ad-

vice Company's operationally closed organisational system, these data outputs cannot enter directly. Rather, they are the result of mediation that is enabled by the execution teams, who operate according to the value ground reality. This sub-system is necessary for the freelancers' outputs to be utilised for further organisation-maintaining operations. As suggested by the practice of carefully managed client visits at the street office, a client project requires the ground reality for successful completion. In this stage, the relation of the values is reversed, the hierarchy inverted: ground reality is more relevant than client centricity.

#### 11.4. Mutually exclusive values

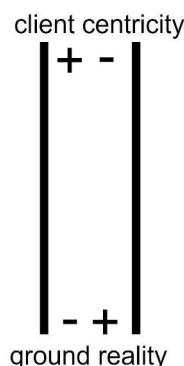
The existence of these two opposing values becomes salient in the organisation's internal differentiation. The necessity of both values for the organisational structure (rather than simply client centricity) can be derived from the fact that differentiation along the client centricity scale is valid in one moment, but reversed in another. Furthermore, Advice Company acknowledges the existence of these two values, as there are specific functions in place to manage the translation between them. The project coordinators manage this translation between client centricity and ground reality, while the city office teams play a central role in making the ground reality (i.e. information from the environment) accessible to client-centric sub-systems by converting it – with tremendous effort – into easy-to-use presentations.

These functions must manage the fundamental (and contradictory) incompatibility of the two values. This notion is subsumed in the following quote of project coordinator Nidhi when discussing the challenge of mediating between client consultants and execution teams:

Some of the consultants are like puppets to the client, like: "Ok, you want this thing", "Ok, ok, we'll give this thing" and then they'll start pressurising the other teams. This is not how work should happen. Then you are running out of quality inputs [from the execution teams] and our reputation will go down if we are not working as per the quality. [...] A major challenge is to balance these two kinds of people [the consultants and the execution teams]. The project coordinator's role is to balance these two departments, but it's a real challenge – it's a real challenge. You can't keep both of them happy and keep both of them unhappy.

The first part of Nidhi's quote relates to the issue of overstepping the organisational boundary. If client consultants get so close to the client that they become part of the environment, no further translation can occur between the client (i.e. the environment) and the organisation. Her remark on the loss of quality positions the ground reality as a corrective to client centricity, though one that is actualised over the long term, given the loss of reputation. In the second part of her quote, Nidhi addresses the mutual exclusiveness of the two values, characterising the conflicting nature of her translation work with no options (in her opinion) for a solution. Remarkable is her standpoint which renders it as unachievable to operate according to both values and thus impossible to select her communications in a way that makes both client consultants and execution team leads "happy". An easy option would most likely be for her to take a client-centric standpoint by prioritising the client consulting team's needs and pressuring the execution teams. Yet with her assertion that both departments cannot be kept unhappy, she acknowledges the relevance of the ground reality for organisational functioning and therefore the need to invert the values, at times (Figure 29). This is in the sense of Dumont the effect of "hierarchical encompassing": "One observes that every time a notion gains importance it acquires the capacity to encompass its contrary" (Dumont 1980 [1966]: 244-245).

*Figure 29: Model of the guiding difference*



## 11.5. Closing the black box

In this work, I have opened the black box of organisational functioning to untangle, on a micro-level, the mechanisms and selection processes that shape Advice Company's structure and interactions. The analysis of this complex organisation has addressed two research questions: First, I have illustrated how the value client centricity shapes the organisation into a client-centric structure by leveraging opacity to effect a working misunderstanding. Analogous to this is the organisation's differentiation along the opposing yet similarly amorphous value ground reality. This value enables the emergence of further internal differentiations that resist the client-centric structure but are of vital relevance for the organisation's existence. Second, I have illustrated the productive role of both intentional and unintentional working misunderstandings for the organisation's operations, drawing on the example of the client project. I have shown that a client project must operate as a working misunderstanding in order to allow for meaningful selections of understanding and processing in the various organisational sub-systems.

Answering these two research questions, however, has led to an additional conclusion: the black box must remain closed. This detailed, micro-level insight into the black box of organisational functioning has revealed different areas of working misunderstandings that enable successful complex operations. I have also shown that these operations rely on the opacity between systems and the ambiguities associated with the two values of the guiding difference. When the black box is closed, the system works – and works very well: Advice Company is highly successful in the industry; the organisation has an excellent reputation in its field and its advice is valued by clients across the globe.

The aim of full transparency in organisational functioning and collaboration processes is an understandable assumption of normative management theories such as transaction cost economics (Acheson 2002) and (economic) value chain models of organisations (Porter 2001). Bringing working misunderstandings to a “point of unravelling” (Reed 2006) by enabling deeper insight into the selection processes of other sub-systems might be desired by management boards in an attempt to maintain the “dream of rationality” behind organisational decision-making processes (Brunsson 2006: 13). But the organisational system requires opacity – as represented by the black box – in order to function.

I have shown that working misunderstandings are part and parcel of the interactions in complex organisations. They emerge in conjunction with system differentiation and provide the mechanism for maintaining boundaries between sub-systems while allowing for interactional openness. I have thus shown how and why working misunderstandings arise and why they are productive in the context of complex organisations.

While these insights might allow for a set of resolution models or checklists to ward off misunderstandings, the key conclusion from my work is that it would be unproductive for organisations to attempt to defeat them. Accordingly, the Indo-German project incident from my own experience, as presented at the beginning of this work, appears in a different light. Maybe we should have relied more on the opacities between the two systems – the black box – and the working misunderstandings, rather than bringing communication to a sudden end by escalating it. Hence, the answer to my ex-colleague's question of how I could resolve the issues around collaboration might have been to continue communicating and accept that the Indian offshore-team was opaque to us and that both we and they had to operate according to different understandings of the project. Such an answer is not normative, but it follows the approach of the descriptive discipline of organisational anthropology.

This ethnography, which was motivated by my own curiosity and interest in the functioning of complex organisations, has aimed at producing scientific insights. In this case, the insights – as generated from a detailed view into the black box – have led to the informed conclusion that to maintain system functioning, we should close the box again.

