

## 2. Anthropology, Organisational Systems and Misunderstandings

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Chapter 2 establishes the theoretical outline by presenting the field of inquiry, the state of research and the main theoretical approaches I depend on for my analysis. I provide a more detailed introduction to the relevant theoretical aspects at the beginning of each analytical chapter (chapters 4–10). Anthropologists' use of organisations as research sites is not new, yet it has recently received an increasing amount of attention. Section 2.1 provides a brief overview of the history of organisational anthropology and contemporary anthropological research in this field. So far, working misunderstandings have not been a focus of anthropological research within organisations, and my work will contribute to filling this lacuna.

The broad potential of the application of organisational anthropology to the business world can be assessed from the rising number of anthropologists working in the industry. With this popularisation has come a risk for oversimplification in response to organisational time and budget limits. Using the example of "interculturalists" (Dahlén 1997), I will show how the tendency to become successful by providing easy answers to complex issues in the fast-paced corporate world has also applied to the popular metaphor of "organisational culture" since the 1980s. Section 2.2 reviews the most popular theoretical approaches to "organisational culture" within business studies and intercultural management. A critical review of the theories of Geert Hofstede and others provides a first line of thought on why I did not use such approaches as a theoretical framework in my research, but instead adopted the view of Niklas Luhmann's Systems Theory, which understands complex organisations as social systems. An overview of the key elements of Systems Theory is provided in Section 2.3. Section 2.4 illuminates the connection between misunderstanding and systems theory by developing the concept of misunderstanding from that of early hermeneutics to one that sees it as a constitutive element of

social systems, following the work of Guido Sprenger (2016). A reflection on ethnographic fieldwork as a communication process (Section 2.5) concludes the theoretical sketch that leads to Chapter 3's overview of methodology.

## 2.1. Complex organisations as a field of inquiry

Today's world is an organised world: we live with and within organisations from an early age, when attending childcare and school, joining a sport or chess club and becoming employees of a business corporation or public institution (Garsten and Nyqvist 2013: 1). Organisations have such a dominant position in modern society that even short phases of not belonging to one are regarded as unusual: a year-long world trip requires justification, as does the role of mother or housewife (Kühl 2011: 11). The contradiction that organisations are of central significance in our lives while "knowledge about the actual functioning of formal organisations is successfully blackboxed" (Czarniawska 1997: 1) was one of the motivating factors for my research in this field.

The organisational subject of this work can be characterised as what Christina Garsten and Anette Nyqvist call a "complex organisation" (Garsten and Nyqvist 2013: 12). While acknowledging the potential lack of precision in the term, they confer the adjective "complex" to organisations with high internal differentiation of social positions and roles. Moreover, complex organisations tend not to be defined by their topographic limits: they are much more than their office locality. Garsten and Nyqvist argue that such organisations can be understood more in the sense of Appadurai's "translocalities" (2008), which attempts to capture the interconnections and exchange processes at play between physical places. Garsten and Nyqvist also cite Ulf Hannerz's (2003b) view of complex organisations as "frameworks for flows of people, meanings, ideas and material objects"; this definition stands in close connection to Erikson's concept of "transnational flows", in the context of globalisation (Eriksen 2007: 14). Therefore, complex organisations show interconnected social networks across teams, departments and offices "with formal and informal organisational layers of differentiation" (Garsten and Nyqvist 2013: 12).

This ethnography is an analysis of such a complex organisation, and I will situate it theoretically within the realms of Niklas Luhmann's Systems Theory, which addresses layers of differentiation and complexity (see Section 2.3). To methodologically respond to the translocal nature of complex organisations,

a multi-sited fieldwork design was employed (see Chapter 3, Section 3.3). This section (2.1) provides an overview of the emergence of organisational anthropology, current research areas and the application of anthropological expertise as a profession in the industry.

### 2.1.1. The emergence of organisational anthropology

Organisations exist everywhere in the modern world, but “at the beginnings of anthropologists’ ethnographic research there were few organisations” (Gellner and Hirsch 2001: 3). Although the origins of social anthropology and its key research focus lay in the investigation of ethnic groups in remote, unknown parts of the world, social anthropologists were already part of an interdisciplinary team studying workers at a US manufacturing site in the 1930s. This project gained major recognition as comprising the “Hawthorne studies”, which identified the “Hawthorne effect”, according to which employees’ motivation and work performance are positively dependent on management attention and individualised treatment rather than physical factors such as brighter light and more breaks (Wright 1994: 6).

Furthermore, the final phase of the Hawthorne studies revealed that the motivational system based on piece rates for an assembly line actually resulted in the opposite of what management had originally intended: the workers did not approximate to the maximum number of pieces they could physically produce in a day in order to increase their earnings. Instead, they had established their own ideas about a “fair day’s work”, which were considerably below the management’s expectation. This study was the first to empirically show a chasm between workers and management – and the existence of an informal organisation (Schwartzman 1993: 13).

Organisational anthropology therefore stood as a counter-movement to Taylorism and other models based on the concept of the *homo economicus* – the individual driven by rational choice who seeks to maximise a subjective return for all activities (Baba 2006: 85). In this counter-position, organisational anthropology emphasised the existence of an informal organisation by mapping and quantifying interactions between workers that stood in opposition to the formal organisation of corporate management policies and rules (ibid.: 88). Gaining insight into this relationship, the behind-the-scenes politics and other interactions in the organisational “back stage” (Goffman 1959, Stevenson et al. 2003) was quickly seen as a key success factor for business corporations. Therefore, organisational anthropology established itself in business

consulting in the 1940s and led to a new professional branch for anthropologists outside academia (see Section 2.1.3).

In the 1960s and 1970s, organisational anthropology decreased in popularity until a number of scholars from the US renewed its interest in the 1980s, as reflected in publications such as edited volumes (e.g. Jones et al. 1988) and ethnographic studies focusing on, for example, meetings in organisations (Schwartzman 1989)<sup>1</sup>. Since the 1990s, organisational ethnography has been – especially in the North American sphere – an established subject and management practice tool, and it has been widely taught at US universities (Gamst and Helmers 1991: 37, Cefkin 2010a: 6). In Europe, anthropological institutes (predominantly in Scandinavia; e.g. the University of Copenhagen) offer students an opportunity to focus on organisational research; this has resulted in a range of scholars in the field. A reader with the most prominent texts in the field (Jiménez 2016 [2007]), secondary literature textbooks such as *General Business Anthropology* (Tian et al. 2010), or the practical guide to methodology by David Silverman (2007) have conversely increased the visibility of anthropological approaches in organisational studies (Ybema et al. 2009: 4).

### 2.1.2. Research directions of contemporary organisational anthropology

In contrast to organisational anthropology as a profession in the industry (see Section 2.1.3), academic base research does not primarily aim at resolving problems that might exist in an organisation. Much more, “the organisational ethnographer is there to map, document, organise, understand, and render a narrative of what was discovered” (Gavin 2015: 99).

The processes, structures and aims of any organisation are heavily dependent on the type of organisation it is. Broadly speaking, organisations can be divided into private business enterprises and corporations, governments, non-governmental organisations, international organisations, armed forces, not-for-profit corporations and universities. On a business area level, corporations can be broken down into manufacturing and service corporations (Tian et al. 2010: 17). The majority of anthropological studies of organisations are conducted on business enterprises, but other organisational types, such

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<sup>1</sup> Two decades later the topic experienced a revival (e.g. Sandler and Thedvall 2017).

as trade unions, welfare institutions, civil service offices, universities, hospitals and religious organisations have also been the focus of anthropological research (Gamst and Helmers 1991: 27). Over the past two decades, monograph-length ethnographies have provided perspectives on work in different organisational contexts, ranging from printing machine producers (Orr 1996), management consultants (Stein 2017), innovation agencies (Seitz 2017), to telecommunication industries (Augustynek 2010), restaurant kitchens (Fine 2009), IT firms (Garsten 1994, Wittel 1997, Alvesson 1995), Department Stores (Bachmann 2014), University career career centres (Glauser 2016), NGOs in London (Hopgood 2006) and Zimbabwe (Wels 2003), advertising agencies in Japan (Moeran 2007) and India (Mazzarella 2004), the European Commission (Shore 2000) and contracting and freelance firms at organisational borders (Huber 2012, Barley and Kunda 2004). For a more detailed overview of ethnographic works in organisations, see, for example, Platt and colleagues (2013) or Smith (2001). For an annotated bibliography, see Ybema and colleagues (2009: 260 onwards).

The broad range of monographs shows how various types of organisations play a decisive role in contemporary life. Indeed, areas of study in organisational anthropology are based on the fact that organisations do not exist in a vacuum; rather, they operate in a wider context – an environment – that both provides them with targets and limits their operations. Gender inequalities have long been classic subjects of study in organisations (Hawkins 2008, Ogasawara 1998, Salzinger 2009); for instance, Carla Freeman's work on the female "pink collar" informatics workers of Barbados elaborates on their quasi-professional identity, which is established through their distinctive fashion style and "cool" office look (Freeman 2009).

Turner's notion of "liminality" (1964) has been applied to various contexts of organisational research. While many authors have veered far away from Turner's concept, common applications of the term refer to interlocutors' experiences of ambiguity, unclear roles or organisational structures and the notion of uncertainty at the centre of research. Other aspects of liminality encompass an experience of bonding (*comunitas*) as a consequence of the liminal status; re-integration into existing or new organisational structures is rarely included in the analysis. Liminality is thus predominantly understood in the organisational setting as a "longitudinal experience of ambiguity and in-between-ness in a changeful context" (Beech 2011: 288). This is the case in Manos Spyriakis' monograph (2016), which explores the meaning of liminal work in contemporary Greece from the perspectives of tobacco and ship-

building workers, as well as white-collar bank employees. His case studies illustrate that experiences of liminality and liminal status are independent of work type or skill level and encompass diverse forms of individual agency within the economic limits of the actor's choice. Liminality as a state of long-term instability of organisational belonging is also reflected in the white-collar sector by Garsten (1999). Her study positions liminality for highly skilled experts as, on the one hand, a self-chosen lifestyle, and on the other hand, an experience of marginality at the periphery of the organisations they long to join. The latter perception also applies to Advice Company's temporary workers – the contractors – and their desire to make it "on payroll". The work of freelancers in creative industries with liminal work positions is reflected by Tempest and Starkey (2004) and Huber (2012). Similarly, other studies (Czarniawska and Mazza 2003, Sturdy et al. 2006, Borg and Söderlund 2013) have described consultants as occupying a liminal position, as their role as temporary agency workers means they are constantly in a situation of organisational change (Winkler and Mahmood 2015). I will revisit aspects of liminality when analysing the role of temporary contractors at Advice Company (Chapter 4, Section 4.2.4).

"Work culture" as a research field was approached by Wittel (1997) and Krause-Jensen (2013) in the context of ideology, while Augustynek (2010) carved out employees' perspectives on the challenges arising from organisational change and restructuring at the German Telekom. In her study, she traced employees' perceptions of the constant permutation from state-owned institution to private corporation under the laws of economic efficiency and rationalisation. Questions of multi-nationalism are at the centre of Frohnen's study (2005) on the car manufacturer Ford in Germany. Similarly, the relationship of transnational organisations and their managerial practices is reflected in the work of Garsten (1994), who looked at the core-periphery interplay at Apple, and by Røyrvik (2013), who examined a globally operating energy corporation at a moment of crisis.

### 2.1.3. Organisational anthropology as an industry profession

In 2007, *Harvard Business Review* featured an article titled "The Rise of Corporate Anthropology" (Davenport 2007), in which the author named examples of business corporations that were starting to employ and gain insight from anthropologists' methods of systematic observation. But in fact, the application of anthropological expertise to organisational contexts as an indus-

try profession started shortly after the Hawthorne studies: Students of W. Lloyd Warner, one of the anthropologists involved in the Hawthorne studies, founded the Society for Applied Anthropology (SfAA) in 1941, which is today the oldest and largest professional association of applied anthropologists, with *Human Organisation* as the leading journal in the field. Warner himself left the academic setting in 1946 to establish the first anthropologist management consulting firm, and ran a number of large projects on consumer behaviour and both organisational and design anthropology with the leading business corporations of that time (Jordan 2003: 12).

After a decline in interest for anthropologists in business during the 1960s and 1970s, the tremendous success of Japanese firms in the global economy led Western organisations (in the 1980s) to focus their agendas on understanding the role of culture in the economy and – especially – in business organisations around the world. This development not only led to a rise in scientific publications in this area, but also to the founding of industry-led research institutes using anthropological methodology (Breidenbach and Nyíri 2009: 17). "Culture", which had previously related (in popular usage) to arts, literature and theatre, became a broadly employed buzz word, and the metaphor of "corporate culture" entered everyday language (ibid.: 21–23).

As a consequence, an increasing number of anthropologists began to work outside academia in the business environment, concerning themselves with design, market and consumer research (Sunderland and Denny 2007), organisational development (Diel-Khalil and Götz 1999) and consulting (Cefkin 2010a: 16). Several anthropologists made it into top-level management positions, such as Genevieve Bell, who holds a PhD in Anthropology from Harvard and headed up the corporate strategy group at Intel before returning to academia. Others became entrepreneurs, such as Jan Chipchase, who founded his own design consulting company after working in top senior positions at Nokia and the design firm Frog. Edited volumes of case studies from industry practitioners provide insight into the applied side of anthropology in business (e.g. Cefkin 2010b, Denny and Sunderland 2014, Pink 2006, Gunn et al. 2013). The EPIC (Ethnographic Praxis in the Industry) conference promotes ethnographic methodology in the industry setting through its yearly conference and active blog<sup>2</sup>.

In 2014, anthropology as a method of insight abounded in popular media: management magazines boasted catchy headlines such as "Stories that De-

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<sup>2</sup> [www.epicpeople.org](http://www.epicpeople.org)

liver Business Insights" (Cayla et. al., *MIT Sloan Management Review*), "Here's Why Companies Are Desperate to Hire Anthropologists" (*Business Insider*) and "Applying Anthropology Concepts to Business Models" (*Huffington Post*). In 2016, the Australian online news source cited the organisational anthropologist Michael Henderson as an expert on "corporate culture" (*news.com.au*), the German journal *managerSeminare* (2009) explained the work of organisational anthropologists and anthropologist Andrea Simon wrote in *Forbes* magazine's online edition about "How Corporate Anthropology can Help Women Drive Change" (2016). Video communities offer a variety of short presentations at TEDx, and other popular conferences are available online, attracting up to 10,000 views.<sup>3</sup>

Such "fast media" (Eriksen 2006: 72) magazine articles and 8- to 15-minute talks from business anthropologists must deal with the challenge of delivering scientific accuracy despite the limitations of the context. Yet their easy to consume, bite-size pieces of information are not only the most accessible accounts of our subject for the wider public, but they are also attuned to the expectations of a business audience for a marketable commodity, which Eriksen claims is lacking in many academic writings (ibid.: 30). In line with this argumentation, Eriksen pled a decade ago for a more visible presence of anthropologists in public debates, stating: "Anthropology should have changed the world, yet the subject is almost invisible in the public sphere outside the academy" (2006: 1). He suggested that we should engage with these "fast media" to require prompt responses to public debates in order to be heard; however, in so doing, we must not forget that "our job partly consists in being speed bumps in the information society, making easy answers to complex questions slightly more difficult to defend" (ibid.: 41).

The work of Julia Bayer (2013) addresses the conflict between journalism and anthropology. She relegates the work and production of journalism by virtue of its need for efficiency and reduction. The journalistic environment is one with which anthropological research struggles and – based on its self-understanding – often refuses to connect (ibid.:13). Consequently, while the media presence of anthropologists as consultants allows for an impressive representation of our field in the industry, a number of differences must be taken into account when looking at applied studies of organisational anthropology. The ethnographic work of practitioners in the industry, whether as

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<sup>3</sup> Such as Amber Case's talk, "We are all Cyborgs": <https://www.youtube.com/watch?v=z1KJAXM3xYA>.

external consultants or researchers inside an organisation, is characterised by the predicaments of a commercial framework requiring proof of direct relevance and applicability of the results. In contrast to academic research projects, projects conducted at, for example, Intel, IBM or Adidas are directed by a narrow focus that is prescribed by the client or stakeholder, with a clear aim and executable results in connection with the expectation of a return on investment for the organisation (Cefkin 2010a: 9).

Similar to the glossy TEDx talks, the results of ethnographic research services are seen as “deliverables” – the central commodity in the service sector. This term characterises successful research as producing clearly refined results at the end of the research and knowledge production process. Such “deliverables” may vary in format from video clips or presentation to standardised project reports, and they often require a compact overview of findings and recommendations for improvement, mitigation or maintenance of a particular situation. The ability to generate such recommendations is generally a core competency for consultants and a requirement that falls very far from that of scientific research. Furthermore, time pressure and budget constraints often result in shorter periods of data collection and analysis. Hence, one of the leading paradigms of anthropological fieldwork, the immersion of the researcher into the *Lebenswelt* of his or her interlocutors, is barely achievable. This obviously limits complexity while increasing the risk of generalisation.

Insights from such projects must be viewed with all of the above differences in mind. Taking this into consideration – and notwithstanding the tendency for “academic elitism” (Eriksen 2006: 28) – accounts from office hallways, meeting rooms, production lines and computer screens can provide optimism about the potential for organisational anthropology within business (Mörike and Spülbeck 2019). Reports from peers in the applied industry world give insight into new working practices such as agile software development (Hanson 2014), the practical application of ethnographic methods in consumer research (Valtonen et al. 2010, Barab et al. 2004, Sunderland and Denny 2007) and human-computer interaction (Williams and Irani 2010, Baskerville and Myers 2015; Mörike 2019). Furthermore, examples of anthropologists drawing the line and quitting their industry jobs (e.g. Kitner 2014) can help to advance important ethical reflections in both academic and business contexts. Last but not least, the experiences of those “out there” who need to explain anthropology and the ethnographic method in a few appealing sentences when pitching for a project can be helpful for advocating anthropology (e.g. Jordan and Dalal 2006).

### 2.1.4. Multinational organisations in India as a regional focus

Offshoring and offshore outsourcing – the process of hiring an external service provider organisation in a foreign (mostly low-wage) country – have been major drivers of the Indian IT industry since the late 1990s (Upadhyा and Vasavi 2008: 10).<sup>4</sup> Several ethnographic studies have been published in this business context; IT and software engineers in both Indian and foreign MNCs in offshore working relationships with their European colleagues (Upadhyा 2016). Eaton's thesis (2011) focuses on the collaboration of virtual teams in an IT offshore outsourcing situation between India and the US. While classified as ethnographic work, Eaton's methodological focus lays on virtual ethnography, drawing on interviews and short periods of on-site fieldwork in India. Another work that comprises shorter periods of on-site ethnographic fieldwork in an Indian office environment discusses different perspectives on work across Indian, German and Austrian IT engineers (Mahadevan 2009). The limit of homogenisation in the IT industry across Germany and India is the topic of an interview-based study within the realms of the sociology of work (Mayer-Ahuja 2011a). The edited volume *In an Outpost of the Global Economy* (Upadhyा and Vasavi 2008) garners a range of sociological and ethnographic articles on gender, identity, power and social class in the context of high-technology employment.

A remarkably different view of the Indian IT services industry was taken by Biao (2007), who followed Indian IT professionals who were placed on project-based labour contracts around the world through a practice known as "body shopping" (ibid.: 3). A short auto-ethnographic account of the experiences of a sales representative at an Indian pharmaceutical company sheds light on negotiation practices with clients and organisational structure, though the theoretical insights remain unclear (Banerjee et al. 2011). The monograph *Shovelling Smoke* (Mazzarella 2004) provides an in-depth review of negotiation processes in the advertising industry, predominantly based on interviews and document analysis. Another relevant edited volume is *Anthropologists Inside Organisations – South Asian Case Studies* (Sridhar 2008), which delineates different perspectives on anthropological engagement in public sector health and education settings. There are several publications within

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4 For a non-scientific yet interesting account of the Indian offshore phenomenon, see Rastogi and Pradhan (2011), who wrote the Infosys company story as senior managers of the organisation.

the Indian manufacturing industry sector based on research within business enterprises, including relatively recent works focusing on manufacturing plants (Strümpell 2006, Parry 2009, De Neve 2009).

Within the subject of Indian office work and transnational work relationships, several studies have been carried out within other disciplines, such as linguistics (Gupte and Müller-Gupte 2010, Nakar-Wallraff 2010), business studies (Khandelwal 2009, Pereira and Malik 2015) and business information systems (Winkler et al. 2007). Several of these studies have concentrated on the cultural differences between Indian and European (or Western) enterprises, using concepts relating to national culture and the metaphor of “corporate culture” as a set of measurable dimensions (see Section 2.2 for a critical review of such concepts). Other publications within business studies have focused on foreign MNCs in India (Singh 1979, Garg 1992, Murty 1998, Martinussen 1988) and their business (Johri 1983) and labour strategies (Davala 1995). More recent publications have reflected on the inversion of the development – the expansion of Indian corporations into other markets (Nayak 2011), their (economic) dynamics of developing into MNCs (Vedpuriswar 2008) and their strategies of acquiring firms abroad (Rajmanohar 2007).

This literature review and state of the field analysis has shown that this book connects with established scholarly research in the field of organisational anthropology, as it takes as its basis long-term ethnographic fieldwork at an MNC in India. At the same time, this work fills a gap in the body of research within the professional service industry in India, in general, and corporate MNC office settings, in particular. Similarly, the focus on working misunderstandings adds another dimension to the literature, advancing our understanding of organisational functioning.

## 2.2. From organisational culture to social systems

This section reviews theoretical approaches that aim to shed light on organisational functioning and the mechanisms of collaboration in the work context. In connection with the previously mentioned rise in popularity of the term “culture”, several theories have sought to relate organisational success with the metaphor of “organisational culture” (Hüsken 2006: ix). As these theories still enjoy high popularity in business studies, psychology and intercultural communication, especially in the context of MNCs, I will discuss them in this review. Other approaches from organisational sociology and intercultural

communication will also be reviewed, leading to the conclusion that Niklas Luhmann's Systems Theory is best-placed to serve as the central theoretical anchor for my research, given its detachment of the individual from communication.

### 2.2.1. The rise of “organisational culture” as a popular term

In the 1980s, business leaders and the mass media took a sudden interest in anthropological expertise. The term “culture” became popular and a number of bestselling books broadcast the notion that successful businesses must be concerned with culture (Jordan 2003: 16). In fact, several top-selling management books, such as *In Search of Excellence* (Peters and Waterman 1982), suggested that organisational culture was an influential “soft fact” in an organisation’s success.

This trend was partly due to the rise of Japanese corporations, whose economic strength required explanation; thus, culture leapt to the forefront. In this context, it might not be surprising that the concept of “culture” – relating to the metaphor of organisational culture – was only rarely related to any anthropological understanding of the term (Gamst and Helmers 1991). Even more, the studies of organisational culture in the 1980s often contrasted Western organisations with organisations from Japan and other non-Western countries. This initiated an understanding of organisational culture based on national denominations (Ouchi and Wilkins 1985: 458). Concomitant with the rise of “culture” as a popular term, intercultural trainers appeared in the industry with the promise of resolving the issues arising from intercultural contact. Dahlén's ethnographic study *Among the Interculturalists* (1997) provided vivid insight into this field, as did Hüsken's ethnography (2006), which portrayed the “tribe of experts” in intercultural management in the context of development projects.

### 2.2.2. Dimensions and measures: Hofstede, GLOBE and others

A scholar whose concepts rose to immense popularity during that time – and who is still taught in intercultural training workshops and university courses – is the Dutch psychologist Geert Hofstede. On the basis of 100,000 questionnaires that were filled in by employees of subsidiaries of the multinational IT firm IBM across 64 countries, Hofstede developed a framework of relevant cultural dimensions in the organisational work context. Taking a view

of organisational culture as an onion, with “values” at the core and “rituals”, “heroes” and “symbols” in the surrounding outer rings, Hofstede related it to national culture-based parameters in order to explain and quantify observed differences in practices between the subsidiaries.

In 1980, Hofstede suggested four (which have since increased to six) dimensions with opposing traits, according to which nations are classified along an index scale from 1 (showing the least degree of one trait and the highest degree of the opposing trait) to 120 (showing the inverse relationship). Currently, the model distinguishes six dimensions along dichotomies of individualism–collectivism, masculinity–femininity (task versus person orientation), level of uncertainty avoidance, power distance (strength of social hierarchy), long-term orientation and indulgence versus self-restraint. Hofstede’s model, with its easy-to-grasp, dualistic oppositions advocating an understanding of national culture as the “software of the mind”, became vastly popular; along with this popularity came a definition of organisational culture as the “collective programming of the mind that distinguishes the members of one organisation from others” (Hofstede et al. 2010: 344). He connected the approach to national cultures with organisational models by focusing on two of his dimensions, uncertainty avoidance and power distance. Through the combination of the dimensions he proposed a quadrant with four stereotypical organisational models. According to his approach, the typical German organisation is coined by a high level of uncertainty avoidance and low power distance. He refers to publications by other scholars when describing the ideal organisational functioning like a “well-oiled machine” in contrast to the metaphor of the organisation as a “family” for Hong Kong (Hofstede 1994: 7).

Hofstede’s approach, which assumed culture was an entity with measurable traits and viewed the world as a set of distinct national cultures, was already outdated in anthropological scholarship before his first publication in 1980 (Breidenbach and Nyíri 2009: 275). Accordingly, Hofstede was criticised not only from anthropology, but also from various disciplines for “mistaking passports for cultural categories” (Gjerde 2004: 144), for “never hav[ing] studied culture” (Baskerville 2003), for being “culturally questionable” (Jones 2007), for showing a “perpetuation of cultural ignorance” (Venaik and Brewer 2016) and for being “a triumph of faith – a failure of analysis” (McSweeney 2002). The debate continues with an article with the title “Does Country Equate with Culture? Beyond Geography in the Search for Cultural Boundaries” (Taras et al. 2016) appeared in an international management journal. While this list of challenging accounts could be continued, it will suffice to state that the criti-

cism of Hofstede's framework primarily took aim at his suggestion of cultural homogeneity and his neglect of internal differentiation. Critical views from anthropology that Hofstede's assumptions were rooted in an idea of culture as an ascertainable entity are now rare, but still present (Frohnen 2005, Breidenbach and Nyíri 2001, Hüskens 2006, Dahlén 1997). My analysis of Advice Company will illustrate that the notion of a national organisational culture with a homogeneous, holistic construct that functions as a "mental programme" (Hofstede et al. 2010) is undermined by an array of dynamic practices and hybrid constructions of identity within the same organisation and across colleagues with the same country written on their passports: India.

Ironically, one of the loudest critiques of Hofstede's dimensional model in the early 1990s came from Fons Trompenaars, a Dutch business consultant who challenged Hofstede for having only collected data from employees of a single corporation (Hampden-Turner and Trompenaars 1997). Trompenaars' competing model was based on questionnaires that had been sent to multiple corporations in 55 countries; corporations were only included in the study if they passed the threshold of 50 returned questionnaires. Based on this data, Trompenaars provided a framework of seven dimensions to describe the "dilemmas" encountered in organisational culture when collaborating across national boundaries. Hofstede challenged Trompenaars' empirical evidence for the dimensions and accused him of being uninterested in scholarship and tuning "his messages to what he thinks the customer likes to hear" (Hofstede 1996). Apart from the unignorable fact that Trompenaars' consultancy firm grew by 40% annually in the second half of the 1990s (Kleiner 2001), this discourse shows a persistence in the idea of organisational culture as a measurable entity in connection with national origin.

And it persists even today: In 2004, the Global Leadership and Organizational Behavior Effectiveness research programme, commonly referred to as the "GLOBE" study, published the findings of an extensive series of studies with 17,000 managers in 950 organisations (House et al. 2004). The resulting set of nine cultural dimensions is based on Hofstede's model and provides, per dimension, two separate scores for each country: an "as is" score for actual practices and a score for the way respondents claimed things "should be" done, which the researchers labelled as "values" (Chhokar et al. 2008).

The most recent bestselling publication to build on the idea of employing measurable dimensions to grasp the complexities of organisational culture in a multinational context is by Erin Meyer, an American business consultant who teaches at INSEAD business school. At the end of 2014, she published

her book *The Culture Map: Breaking Through the Invisible Boundaries of Global Business*, in which she presented eight scales on which individual countries were placed. However, it is very difficult to determine whether the “research” she and her team conducted over the last decade extends beyond the anecdotes and conversations referred to in her book, on her website and in the various articles she has published in popular management magazines.

Like most of the bestselling books in popular management, Meyer’s work has a highly entertaining quality featuring extreme examples that reduce a complex argument to a single insight, and behind-the-scenes anecdotes that provide readers with the impression of a detailed view into the management boards of large multinational players. At the same time, books such as the ones of Trompenaars and Meyers provide short-handed recipes for resolution with little more than shallow theoretical insight (Neuberger and Kompa 1987: 12). Furthermore, these books characterise agents in the organisation as carriers of sub-conscious national cultural practices, and they therefore focus on differences in values, assumptions and behaviour (Frohnen 2005: 44). Viewing culture as a static construction, differences in forms of communication are viewed as cultural differences with a large potential for leading to misunderstanding, resulting in economic inefficiencies or severe losses (Moosmüller and Schönhuth 2009: 216). This view creates a market for intercultural training and consulting projects within the realms of corporate culture and intercultural management. For executives, HR managers and organisational development experts, the idea of culture as a controllable, homogeneous and measurable entity is a driver of notions of organisational culture. The partially problematic line of argumentation of these models seems self-evident for anyone who has been anthropologically trained. Yet the overwhelming presence of these approaches in current business studies curricula, management training and scientific publications (Winkler et al. 2007, Steenkamp and Geyskens 2012), also in the context of Indian MNCs (Khandelwal 2009, Pereira and Malik 2015, Sinha and Sinha 1990), has led me to reiterate the criticism here. Individuals from business organisations who are interested in working misunderstandings in the context of MNC offices might expect this book to centre on dimensions and scales of communication behaviour. Instead, they will be presented with very different insight into the black box of organisational functioning.

Alois Moosmüller claims that both intercultural communication and anthropology seek to promote a world in which cultural diversity is respected or even seen as a resource. However, while the anthropologist is satisfied with

describing the behaviour and concepts of agents experiencing cultural diversity, interculturalists seek to improve these encounters and to educate and eradicate misunderstandings (Moosmüller 2007: 38, Dahlén 1997: 15). But misunderstandings are, as I will demonstrate, a productive element of social interaction.

### 2.2.3. Towards a communication-based approach to organisations

The popular concepts of culture that I introduced above reiterate a limiting and inflexible perspective on MNCs, taking an agent-based view of personality that is multiplied in a community. Conversely, I suggest an approach to organisations that relies on a communication-based concept, for which works on diversity from an anthropological perspective provide a helpful starting point: culture is here regarded as the “product of actors’ links through communication” (Moosmüller 2009: 14). An individual usurps the culture of the group with whom he or she interacts most frequently and with the highest intensity (i.e. one’s company or family). Via communication, implicit rules and constructs of meaning are created that enable social interaction and impose a certain level of obligation. The term “cultural diversity”, in Moosmüller’s sense, does not demarcate differences between cultures, but describes the specific differences in culture that become apparent when different cultures directly interact (2009: 15). Organisational culture can therefore be seen as a set of communication rules that become apparent when agents change positions within or across organisations. Employees can change their positions and roles without deconstructing these boundaries. Thus, organisational culture is primarily concerned with distinct sets of communication rules and habits that must be learned upon joining a new team or organisation. Along with these new rules and habits come a new set of communication expectations. This view enables us to conceptually exclude the individual from organisational culture and analytically focus on communication. Communication is the central operation of Niklas Luhmann’s Systems Theory, which is introduced in the following Section.

## 2.3. The organisation as a social system

This section introduces the most relevant topics of Niklas Luhmann's (1995a)<sup>5</sup> Systems Theory, as they apply to this book. Only an overview of the theory is provided here, as more detailed aspects of Luhmann's comprehensive theory will be provided at the beginning of each analysis section in the following chapters.

### 2.3.1. Autopoietic social systems of differentiation

The German sociologist Niklas Luhmann developed systems theory on the basis of the key assumption that systems do not consist of things, persons or objects, but of operations: biological systems live, psychological systems perform cognitive processes and social systems communicate.

A central element of his theory is the concept of "autopoiesis", which was originally developed by the biologists Humberto Maturana and Francisco Varela. Autopoietic systems are able to reproduce from within themselves, just as plants reproduce their own cells with their own cells. According to Luhmann, the basic idea of autopoiesis can be applied to social systems. Economics, education, politics and organisations are, for Luhmann, social systems within a functionally differentiated society. Through communication – the operation through which social systems create themselves autopoietically – these systems differentiate themselves from their respective environments (Luhmann 1995a: 30). For each system, the environment may be different, but it always defines its boundary to the outer world.

Active and constant differentiation from the environment is necessary to ensure the ongoing existence of the social system. Luhmann refers here to Talcott Parsons, who changed the definition of a system from a static understanding of structure to a dynamic relation to the environment that requires "boundary maintenance" (Luhmann 2006b: 38). This active differentiation to the environment is, for Luhmann, akin to the idea that identity is only

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5 The most relevant publication for the theoretical basis of my work was published by Luhmann in German (1984). To avoid translation mistakes I refer in this thesis to the English translation of the title by John Bednarz and Dirk Baecker (Luhmann 1995a). Similarly, other direct translations of Luhmann are also based on English publications of him to ensure coherence.

possible via difference: a system and its environment exist in constant reference to each other. All operations belong to a system and, at the same time, the environment of another system (Luhmann 1995a: 177). Every system must therefore "maintain itself against the overwhelming complexity of its environment" (ibid.: 182) through constant reproduction (i.e. communication). Reproduction through communication, however, does not guarantee successful system persistence and boundary maintenance. The structures along which a social system reproduces itself are part of the autopoietic system and are determined by the system. This self-organisation or self-reference of a social system can therefore be understood as a determination of structures from within that system (Seidl 2005: 24). As a social system is not only determined by its internal structure but also its differentiation to the environment, this relationship is of particular interest.

### 2.3.2. Relationship to the environment: Closure and openness

While communication is the constitutive operation of social systems, no operation can leave or enter a social system: communication, for example, does not occur *across* different social systems, as operationally, these systems are closed. At the same time, social systems must have contact with their environment, as they do not exist in isolation: „A system can only reproduce itself in an environment. If it were not continually irritated, stimulated or disturbed and faced with changes in the environment, it would after a short time terminate its own operations, cease its autopoiesis.“ (Luhmann 1988: 335)

This contact is referred to as interactional openness and it is regulated by the system. The operative closure of a social system means that, on the operational level, the system does not receive direct input from the environment and communication does not directly enter the system. Luhmann compares this to the blood-brain barrier. The human brain is not directly connected to the rest of the body and a number of transformation processes must occur before any matter from the body's physical environment has an effect on the brain. Similarly, an impulse from a social system's environment results in a stimulus at its boundary. This irritation might prompt an internal communication process, but not necessarily. Whether the system ignores this impulse or replies with internal communication cannot be influenced from outside the system. Luhmann refers to this as trigger-causality (*Auslösekausalität*) (Luhmann 2006a: 401). Through trigger-causality, external events are able to provoke an internal operation in the system. However, the communication

process that is started (if any communication is triggered at all) is determined by the structure of the social system: „[While] internal events or processes are supposedly relevant to the system and can trigger connective action, events or processes in the environment are supposedly irrelevant to the system and can remain unheeded.“ (Luhmann 1995a: 183)

Environmental stimuli are thus subject to selection criteria that are set by the system according to its self-determined structures. When a stimulus is deemed relevant to the system according to its self-organised guiding difference (*Leitdifferenz*), internal communication processes are triggered. The guiding difference of a social system structures the selection process of relevant information and reduces complexity. A system distinguishes information from noise on the basis of this guiding difference, which can be understood as a binary code relating to the system's structure. “Guiding difference” thus refers to the difference between a system and its environment (Luhmann 1995a: xix). For social systems, the binary code organising the selection of meaning can determine an impulse useful / not useful without determining what is selected – only that a selection process must occur (ibid.: 32). Other guiding differences Luhmann identifies for a functionally differentiated society include wrong/correct for science, payable/non-payable for the economy and lawful/unlawful for the legal system. As guiding differences vary between social systems, it is difficult for a system to pre-determine the selection processes at play within another system. Luhmann describes this situation as “double contingency” in cross-system interaction (Luhmann 1995a: 111-13) – a concept he adopted from Talcott Parsons to describe insecure knowledge about the interpretation and action of an interacting party. In this context, Luhmann's idea of “structural coupling” plays an important role. When a system's structures are adjusted to the structures of another system in its environment, it is structurally coupled to that system. As a consequence, the structure of the system expects or presupposes specific states or changes in the environment, and this expectation allows it to react to important environmental events and not rely on contingency (Luhmann 1991: 1432).

### 2.3.3. Communication

According to Luhmann, anything involving a minimum of two psychic systems can be regarded as a social system. However, the constitutive element of a social system is the existence of communication, not the participation of human beings. Luhmann defines communication considerably differently

from conventional understandings, which rest on the metaphor of transmission from a sender to a receiver (Luhmann 1995a: 139). For Luhmann, communication is a three-part selection process of information, an utterance and an understanding, respectively. Each step selects from a range of options and communication is a synthesis of all three selection processes (*ibid.*: 141).

None of the three processes form communication in isolation: differentiation between a selection of information and an utterance in the understanding process distinguishes communication from the mere notion of others' behaviour. Consequently, not only can information and utterances be selected from a range of multiple possibilities, but understanding can also be selected from a range of possibilities in order to distinguish information from an utterance (Luhmann 1995b: 115). The inclusion of the selection of understanding in the communication process is not only the main distinction of Luhmann's definition relative to other understandings of communication, but this three-stage process of synthesis moves the emphasis from a speaker's intended meaning to the selection of understanding by an addressee. This runs contrary to the temporal sequence of events, viewing communication as a phenomenon that "is made possible, so to speak, from behind" (Luhmann 1995a: 143). The selection of understanding, furthermore, is the crucial element of follow-up communication, as an addressee's selection of understanding steers the next communication event, irrespective of the speaker's intended meaning.

The inclusion of the selection of understanding in communication explains how a communication system can be operationally closed: a system produces its components and structure through communication, itself, and "only communication can influence communication" (Luhmann 1995b: 117, own translation). This is of particular relevance, as it emphasises the participation of at least two psychic systems that do not interact directly. The selection of understanding is therefore not dependent on an understanding of the psychic system, but on an understanding that is implied by the follow-up communication (Nassehi 2005: 182).

Communication is a synthesis of all three selection steps and cannot be attributed to an individual; rather, it "constitutes an *emergent* property of interaction between *many* (at least two) psychic systems" (Seidl 2005: 29, emphasis in original). The relationship between a psychic system and a communication system is nevertheless determined by structural coupling: without a psychic system, communication is impossible.

### 2.3.4. Organisational systems

Luhmann distinguishes between three types of social systems: societies, interaction-based systems (such as university seminars) and organisations. An organisation is therefore a specific form of social system that can be distinguished from other social constructs, such as families, networks and protest movements. Some organisations carry the very word “organisation” directly in their name (UNO, OPEC); others use demarcating words such as “agency” (NSA) and still others do not have a demarcation at all (Microsoft, Volkswagen) (Kühl 2011: 18).

For Luhmann, organisations are social systems that reproduce themselves on the basis of a specific type of communication: decisions. Decisions are not taken by actors but the social system, itself; in Luhmann’s terms, an organisation is a “recursive network of decisions” (Luhmann 2006a: 68, own translation). As outlined in Section 2.3.3, communication – as the synthesis of a selection of information, an utterance and understanding – engenders follow-up communication and is therefore the constitutive operation of social systems. Similarly, organisations maintain their structure by making decisions on the basis of their previous decisions: a decision is an operation based on former organisational decisions, and it delineates the ground for follow-up decisions in the manner of the *autopoiesis* of a social system (Brandhoff 2009: 320). A decision is marked by the selection from at least two options, which might be contingent at the moment when the decision is made. While the decision might be initially volatile, it becomes a stable entity on which subsequent decisions are made, and hence enables the maintenance of the organisational system. Organisations can therefore be understood as “decision machines” (Nassehi 2005: 185).

According to Luhmann, the three attributes of membership, purpose and hierarchy are key to illustrating the specifics of modern organisations. Organisations can decide on more or less strong conditions of membership, and can determine who belongs to and who is excluded from the organisation on the basis of alignment with these rules. An organisation sets boundaries for its members’ operations; members who do not stay within these boundaries are excluded (Luhmann 1964: 64, Kühl 2011: 18).

Organisations have a clear purpose, such as making profit, serving clients or meeting a demand in the community. Furthermore, organisations operate along hierarchical, rather than democratic lines. They can freely decide upon the specifics of these attributes: they can determine their members, purpose,

hierarchical structure and the roles within it. By regulating membership, they can highly engineer their members' conduct for a relatively long time (Nassehi 2005: 185).

As a consequence of this, the individual is excluded from Luhmann's systems theory. This exclusion is beneficial for the structured analysis of communication in the organisational system of Advice Company, as it enables a focus on the communication, rather than the individuals, in the organisation. Tracing "organisational culture" therefore means focusing on Advice Company's communication processes (Martens 2006: 104). In Luhmann's sense, operations that create an organisation's social system demarcate its boundaries to the environment and allow for internal differentiation through the emergence of sub-systems. I will therefore focus on Advice Company's communication processes, with a particular focus on misunderstandings.

## 2.4. Conceptualising misunderstanding

Adding the prefix "mis" to the word understanding indicates negative meaning such as "wrong" or "deficient". Misunderstanding, however, is neither the direct opposite of understanding nor doubtlessly located in the area of not understanding; furthermore, the precise meaning of misunderstanding is significantly different from its use in everyday language as merely not understanding. In a misunderstanding, a process of understanding takes place on the basis of an input received, but not in the normatively expected direction of the person judging the misunderstanding. Because of a perceived normatively correct possibility of understanding, both misunderstanding and not understanding are failures to understand, and both are commonly thought to be best avoided. But as a misunderstanding delineates an alternative understanding of an utterance or a situation – in contrast to the "right" (i.e. the normatively expected) direction – it provides a highly valuable source of information about the perspectives of the interacting parties. It denotes a boundary zone where "*les cultures s'expliquent et se confrontent, se découvrant différentes*" (La Cecla 2002: 103) – where cultures explain and confront, and discover their differences.

In this section, I will argue that misunderstandings are indeed very productive and hence represent positive instances of social interaction. For this, I will follow an approach inspired by Sprenger's (2016) model of structured misunderstandings. In line with Sprenger's argumentation, I will also incor-

porate Gadamer's (Gadamer 2010 [1960]) theory of hermeneutics, in which misunderstandings are a key element in the process of understanding, and I will connect this theory to Luhmann's Systems Theory.

### 2.4.1. Hermeneutics and prejudice

Hermeneutics, or the art of interpretation, was originally limited to sacred texts and the discovery of the exact, objective, "true" meaning of words. Schleiermacher later widened its scope to include a general hermeneutic of understanding that could be applied to all human texts and communication (Roth 2002: 435). He was furthermore the first scholar to locate misunderstanding at the basis of understanding, as misunderstanding is the default situation when individuals do not make an effort: "The more strict practice assumes that misunderstanding results as a matter of course and that understanding must be desired and sought at every point" (Schleiermacher 1998[1838]: 22). Individuals then risk "qualitative misunderstanding of the content, and the misunderstanding of the tone or quantitative misunderstanding" (ibid.: 23). Schleiermacher goes beyond recommending the avoidance of misunderstanding by arguing for the constitutive significance of misunderstanding as a complement to understanding (Roth 2002: 447). In order to overcome a qualitative misunderstanding, a person's *Ideenkreis* (body of ideas) must be set aside to allow for an understanding of the writer's distinctive character and point of view. Schleiermacher's approach has constituted a revolutionary shift towards subjectivity and the individuality of the mind (Schurz 1995: 21).

For Gadamer, there is neither not-understanding nor ultimate understanding. Rather, we exist in a constant dialectical process of misunderstanding based on our language and history, which form our encompassing frame – the horizon, or *Dasein* (existence), of our experience, from which we cannot escape (Roberts 1995: 4). A key element in his argumentation is that persons have prejudices towards certain objects and situations. The concept of "prejudice" is strongly negatively connoted in today's language. Following the tradition of modern Enlightenment discourse it is typically considered as something to be avoided. The reason for this lies in its connotation as an ultimate judgement that is immobile, rather than incomplete (Gadamer 2004: 273). According to Gadamer, a prejudice is merely a point of departure for reflection – a pre-understanding from which one can start to ask questions and begin to articulate them. According to Gadamer, we must melt the horizons of under-

standing and acknowledge that any input received will change our horizons and prejudices (Gadamer 2010[1960]: 311). Even when we are unable to accept a certain standpoint or position, our horizon is enhanced and shifted (*ibid.*: 272). The dialectic process of misunderstanding reworks our prejudices and is thus a productive process that moves us towards understanding. Prejudice and misunderstanding, however, delineate a form of distinction between different social systems (Sprenger 2016: 32). In the following, I will discuss how misunderstanding is an integral part of communication in systems theory and therefore central to the maintenance of social systems.

#### 2.4.2. Systems Theory and misunderstanding

Communication, in Luhmann's sense, materialises in the synthesis of the three selection processes of information, an utterance and understanding. Each step selects from a range of possible options and cannot occur in isolation. The third step, the selection of understanding, is crucial with regards to misunderstanding. As psychic systems can never be directly connected, the selected understanding of information is only revealed in follow-up communication, which forms further ambiguities and leads to another selection process (Luhmann 1995b: 116). Luhmann's approach is to move away from the sender/receiver transmission model and the intended meaning of the sender and to instead consider the selection of understanding by the addressee as most relevant (see Section 2.3.3). As this understanding is communicated in the follow-up communication, Luhmann includes misunderstanding as a likely element in communication. He classifies misunderstandings as "controllable and correctionable" (*ibid.*: 141), as the follow-up communication can indicate which understanding of a communication was selected (*ibid.*: 143). This iterative line of action can be related to Gadamer's approach to understanding based on re-working prejudices. According to Luhmann, however, full understanding cannot be reached, as the interacting psychic systems are never directly connected.

Furthermore, when communication occurs across social systems, selection processes are performed differently in each system. This increases the potential for misunderstanding due to different selections of understanding. Sprenger (2016: 30) emphasises misunderstanding in this context as a central function of the differentiation of social systems. Following this line of thought, misunderstandings can be regarded as a communicative symptom of system differentiation. In an analysis of misunderstandings, therefore, the

boundaries between a social system and its environment can become salient for analysis (La Cecla 2002: 14). However, the hypothesis here is that communication functions not only *despite*, but also much more *due to* these misunderstandings, as they engender further communication (Sprenger 2016: 31). Systems Theory does not assume that information travels across systems; rather, information at a system's boundaries is thought to be reproduced within the system through the selection of understanding, which, at the same time, re-establishes the boundaries to the environment.

In this context, Sprenger distinguishes between structured and unstructured misunderstandings, whereby unstructured misunderstandings relate to “the imposition of one system’s concepts upon the semantics and code of another system” (ibid.: 32). When two systems seem to agree on a set of terms and are able to communicate without becoming aware of the underlying discrepancies over a longer chain of communication, Sprenger speaks of a structured misunderstanding. A structured misunderstanding enables two systems to “understand” each other, even though the structures – or the code steering the selection of understanding and follow-up communication – might be fundamentally different in each system (ibid.: 32). As the communication chain still functions, however, the structured misunderstandings are productive for social interaction.

Even Luhmann, himself, refers in the opening chapter of his fundamental work on social systems to structured misunderstandings. Without further clarification the use of the word “system” in the theoretical discussion between scholars suggests an “illusory precision” that one could “only suppose or infer from the argumentation that the participants have different ideas in mind when they speak of systems” (Luhmann 1995a: 1). At the same time, these misunderstandings can be seen as the necessary bridge between systems, enabling uninterrupted (i.e. successful) interaction and hence making interaction “work”.

### 2.4.3. Misunderstandings in the social system “organisation”

Organisations are marked not only by conditioned membership and constant negotiation of their organisational boundaries, but also by a high level of internal differentiation. Internal differentiation refers to the way in which a system builds sub-systems (i.e. different systems and (internal) environments within itself). Each sub-system accepts, for its external communicative processes, the primacy of its own. All other sub-systems belong to its environ-

ment, and vice versa. Hence, communication frequently involves different systems in the sense of interactional openness, and is therefore subject to different selection structures.

In order to foster autopoesis, an organisation communicates with both systems in its environment and internally, across its various sub-systems that emerged from the need for internal differentiation. Communication chains are therefore often subject to differing selection processes that arise from different selection codes in each of the (sub-)systems. Consequently, an organisation must rely on structured misunderstandings as a basis for continued communication. The communication chain must remain intact; hence, misunderstandings must work to maintain the organisation.

Structured misunderstandings, in Sprenger's sense (2016), are the conceptual basis of "working misunderstandings" – misunderstandings that retain the continuity of communication chains and hence the social system. The term "working misunderstanding" was coined by anthropologist Paul Bohannan to explain the successful interaction between colonisers and African colonies, as both parties were able to "understand" each other through the selections of understanding of their respective systems (Bohannan 1964). Marshall Sahlins refers to working misunderstandings as terms or situations that allow for "parallel encoding" (Sahlins 1982) and thus enable social interaction without dissonance. Working misunderstandings and their role for ethnographic insight are covered in detail at the beginning of Part II of this book, in Chapter 7.

One of my key assumptions about working misunderstandings is that they might not necessarily only work "accidentally", due to a fortunate compatibility of selection processes between two systems' structures. While such non-intentional working misunderstandings are certainly an important element of successful social interaction, the examples will illustrate that misunderstandings are sometimes also deliberately maintained by one or both parties. In these cases, although at least one of the involved parties is aware of the different structures and selection processes at play, the communication chain is retained and dissonances do not become salient. These situations describe a "*malentendu bien entendu*" – a well understood misunderstanding (La Cecla 2002: 25). Organisational culture can hence be understood as a "framework of meaning, a system of reference that can generate both shared understandings and the working misunderstandings that enable social life to go on" (Batteau 2000: 726).

Communication, including working misunderstandings, as a constitutive operation in organisations and their sub-systems, therefore plays a central role in organisational functioning. Social interaction not only occurs across organisations and sub-systems, with their different codes for selection processes, but it also occurs virtually. Virtual interaction, as a less complex mode of communication, requires recipients to hold a greater number of assumptions, as appearance, attitude and so forth are not on display. Hence, the selection of understanding is more dependent on internal system structures. In virtual interaction, only a few sentences in an email or a brief chat message may be sent. Such messages may be kept short to save time (as they may assume that all parties have a high knowledge of the relevant context and/or historical background (in Gadamer's sense)), but they are often so numerous that they create high communication density (see Chapter 5, Section 5.4.1).

The ethnographic examples will illustrate that Advice Company's functioning is dependent on communication across its sub-systems, which each have their own selection of understanding; such communication can only be realised through working misunderstandings. The social system is maintained on the basis of working misunderstandings, and participating parties reproduce them afresh with each communication between them (see Chapter 10). The case studies further support the hypothesis that such situations also occur in interactions (i.e. communication) between the organisational sub-systems and with other organisations. In these situations, working misunderstandings play a major role in retaining the continuity of the communication chains and hence the structure of the social system. In this respect, there is, a "triple entendre" in the title of this book, as "Working Misunderstandings" refers to the theoretical concept of parallel encoding, its relevance for the maintenance of the organisational system and the agents at Advice Company, who are faced with and employ misunderstandings in their daily office interactions.

As Luhmann eradicates the person from his analytical framework, his theory raises reservations – or at least ambiguity (Scheffer 2010: 141) – with respect to its applicability to anthropological research (Lee 2007: 457). Yet his viewpoint is very useful for analysing social networks that the agents also perceive as systems, such as bureaucracies, institutions and other organisations (Gershon 2005: 100).

## 2.5. Ethnography as a communication process

Given the theoretical presupposition of systems theory, taking communication as a synthesis of selecting information, an utterance and understanding, ethnographic research can also be critically regarded from that perspective. I would like to position my research in a communication process in Luhmann's sense, structured by various selections by different systems. First, this view enables self-reflection on my selection processes; second, it highlights the potential limitations of the insights gained; and third, it allows this work to be understood as part of an ongoing communication process.

As I outlined in Section 2.3.2, the guiding difference of each system determines whether a communicative event is regarded as information or noise. In the context of research, the guiding difference relates to the research questions or topic, which reduce the complexity of the observed system(s) (Keiding 2010: 57). The focus of this research project was the role of misunderstanding in organisational functioning. Carrying out research with my chosen guiding difference of "misunderstanding" most likely resulted in a different set of data than a focus on constructions of gender or food and consumption habits would have. This decision to focus on a specific area of interest inevitably led to a pre-selection of events from the continuous stream of communication at the office, leaving a wide range of events outside my attention. Furthermore, my interlocutors selected information and utterances in relation to the organisational context, but also in relation to my role as a researcher. During lunch, for example, my interlocutors would sometimes switch to Bengali, Marathi or other local languages that I was unable to understand. This selection occurred under the assumption that the communication would be marked as private and hence not interesting for my research. Just as my interlocutors selected information and utterances, I selected an understanding of the information. Depending on the situation – for example, in crisis meetings, phases when my interlocutors had a high workload and when the open plan office suggested that there were too many interested listeners – it was not always possible for me to engage in follow-up communication to clarify my understanding.

Working misunderstandings, on the basis of structured misunderstandings, could occur in the interactions between different sub-systems at Advice Company or between Advice Company and its clients. They could also occur in interactions between myself and the interlocutors. Chapter 7 deals with such a working misunderstanding – drawing on the concept of "collaboration" – between me and my interlocutors. My selection of understanding and follow-

up communications initially “worked” without creating any dissonance in the interaction. But when I changed to a different team during fieldwork, my differing concept of “collaboration” became apparent. While this working misunderstanding came to a point of unravelling, there might have been many other working misunderstandings that remained undetected. This delineates a limitation of research on complex organisations.

This work should therefore be understood as a product of numerous communication chains, with my selection of understanding steering the structure of the following 10 chapters. Consequently, I see this ethnography as my selection of information and utterances relating to the black box of organisational functioning at Advice Company, aiming at stimulating follow-up communication to continue the dialogue.

