

# Outsourcing: Who's threatened?

A critical view of outsourcing as a strategic management instrument

Frits Bosman











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## **Outsourcing: Wie wordt bedreigd?**

Een kritische kijk op outsourcing als strategisch management instrument  
*(met een samenvatting in het Nederlands)*

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# 1

## Introduction

This chapter introduces the researcher and the research and describes the motivation for the research. It also describes the outline of the research with the line of argument, the initial hypothesis, the surprising outcome of the analysis of the data and the conclusions drawn from the research. The final paragraph presents the layout of the thesis.

### 1.1 The researcher and the research

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Siegfried Kracauer wrote the following words early in the 20<sup>th</sup> century to describe the office workforce: “Hundreds of thousands of salaried employees throng the streets of Berlin daily, yet their life is more unknown than that of the primitive tribes at whose habits those same employees marvel in films” (Kracauer, 1998: 29).

Now, early in the 21<sup>st</sup> century, when I travel by train I pass huge, depressing office buildings. Behind innumerable windows men in business suits are working at their desks. Despite the transparency and openness suggested by their ‘glass cage’ workplace (Gabriel, 2003: 178), we still don’t really know much about their real situation. Seemingly nothing much has changed in the last century (Braverman, 1998: ix). “There is yet a whole field of research fallow concerning the situation of human beings in organizations and their unpredictability” [FB]<sup>1</sup> (van der Ven, 2008: 31). Questions arise: Why do people choose this situation, how do they endure it, and what are the effects of it on their well-being? In my opinion, new perspectives on the experiences of human beings in contemporary organizations are of value for both organizational theory and organizational practice.

To introduce myself: I am currently an ICT<sup>2</sup> manager, responsible for an ICT department in which about 70 ICT professionals perform multiple ICT tasks. A team of three operational section managers perform the actual management of the department, and each is responsible for their sections in which approximately 25 ICT staff members perform their tasks. After graduating from VWO<sup>3</sup> in the late 1970s, I went on to train

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<sup>1</sup> “Er ligt nog een heel veld van onderzoek braak als het gaat om de situatie van mensen in organisaties en hun onvoorspelbaarheid.”

<sup>2</sup> Information and Communication Technology, used by organizations to support their business functions.

<sup>3</sup> Pre-university secondary education.

in law, but did not complete these studies. When I first entered the ICT profession shortly afterwards as a former law student, I was completely ignorant with regard to organizational life and ICT. During my career I graduated with a bachelor's degree in ICT and a master's degree in business administration to keep up with developments in these professional fields. Without being immodest, I consider myself to be a senior manager with long-term experience in ICT, management and organization.

In my position as a manager, I encounter a lot of resignation among employees in the organization. People conform themselves to their working circumstances and don't seem to make conscious choices in this important part of their lives. They seem to entrust their fate to the 'trustworthy' employers and wait for them to make 'sensible' choices, such as, in the case of the in-house ICT staff, choosing to outsource.

When I first entered organizational practice as an ICT professional 30 years ago, there was a great deal of certainty and freedom, probably because it was still a young profession. There was a shortage of ICT professionals then and standardization was in a very rudimentary stage. For the 'normal' citizen, ICT and the ICT professionals seemed almost magical. However, this changed as cost pressures drove ICT towards the development of strategies such as standardization and outsourcing. The rapid technological evolution led to the certificate hype, especially in this profession, and in a relatively short period specific ICT education was available at almost every professional school level. Another influential phenomenon has been the integration of ICT into everyday life. Almost everything we use has to do with ICT; one can almost say that we depend on ICT. "Just as Mother Nature was seen in the past centuries as the source of both human behaviour and physical reality, so now the Universal Computer is envisioned as the Motherboard of us all" (Hayles, 2005: 3). This development has had a downside in that ICT has become a trivial technology. Nowadays everyone thinks s/he knows what it is and has an opinion about it.

Extensive standardization and the increase of (quality) processes and the accompanying bureaucracy are other changes taking place in the profession. Alongside these evolving circumstances, there are changes to the labour environment and organizational relationships in which the technical ICT staff operate. The ICT staff know this and take it for granted, because these phenomena are evolutionary and can be seen as the growing pains of a young profession. However ICT outsourcing is somewhat different; it has little to do with the ICT profession itself, but is more a result of the combination of the strategic management process in the capitalist market mechanism and globalization. Outsourcing has become a constant threat, particularly in ICT and specifically for in-house technical ICT staff, because of the reputation ICT has for high costs and the need for human resources. If global outsourcing trends continue, the in-house ICT profession may become rare. Discussion of this phenomenon is widespread in ICT magazines.<sup>4</sup>

<sup>4</sup> Based on articles about outsourcing in 'Automatiseringsgids' and 'Computable'. These two journals are among the most read by ICT professionals in the Netherlands.

After working for about five years as an ICT professional, I moved into a managerial position. The reason for this change was my interest in human beings and human relationships. I was a project manager at first, and later became a line manager in ICT organizations.

As a former ICT professional and an ICT manager, I have seen the commotion resulting from rumours of outsourcing. However, although I am in close contact with ICT personnel and feel I more or less know them, I have never found out how they really feel about outsourcing and other threatening phenomena. For me, it was time to explore!

I presently hold a management position in the data centre of the Sociale Verzekeringsbank (SVB).<sup>5</sup> My activities therefore concern ICT in a company for which this is not the primary business. Nowadays, ICT is constantly a subject of possible outsourcing in this type of company. In 2001, I experienced the outsourcing of a part of the ICT of the SVB, including the staff concerned, to an external service provider (ESP). This was a distressing period for the ICT staff involved. Although there was legal employment protection in place, within a relatively short period a number of the people concerned had left the external service provider. At this time there was no good policy in place to support the outsourcing decisions, which may have contributed to these rather severe consequences for the staff.

Approximately six years after this experience, another outsourcing deal was made concerning a smaller part of the ICT. In the meantime, I had developed a decision model for the SVB, to improve the quality of decision-making and to make the whole process more transparent for the organization's internal and external stakeholders. The model was formally trialled for the first time in arranging this outsourcing contract. Unfortunately, it was unsuccessful with regard to the position of the ICT staff. They were even more disappointed and obstreperous than before, and even worse, when the rumours concerning the upcoming outsourcing spread, they directed their anger at the developer of the decision model.

The ICT division at the SVB is currently organized in such a way that all similar activities are gathered together in departments, which may optimize potential future outsourcing. Considering the previous experiences of the SVB, and other situations described in newspapers, articles, and ICT magazines, it seems likely that this would be stressful for the staff concerned, and one wonders what effect this constant threat must have on the well-being of the individual technical ICT professional. Although

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<sup>5</sup> The Sociale VerzekeringsBank is a Dutch administrative company that executes certain functions for the Dutch government, such as those covered by the General Old Age Pension Act (Algemene Ouderdomswet (AOW)) and the General Child Benefits Act (Algemene Kinderbijslag Wet (AKW)).

the SVB is a non-profit organization, its ICT departments aren't that much different from ICT departments in the profit environment, as Ho et al. (2003: 82) also concluded, in their research environment. So when one considers the numerous companies in which outsourcing decisions are made, and the mainly negative results for the staff, the question arises as to what the effects on individuals are. There is a great deal of research on the phenomenon of outsourcing in the modern era, but little of it shows concern for the employee's point of view. "The 'outsiders' perspective is a common feature of much of the research to date, it deduces the likely consequences, draws on proxy indicators and uses harder, objective data on terms and conditions of employment. Conspicuously missing is the 'insiders' perspective – the employees' 'voice'" (Kessler et al., 1999: 6). This is reason enough to research the human perspective in ICT outsourcing.

## 1.2 Research motivation

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Why is this an interesting research subject? In other words: why bother? Isn't it just a normal development in the capitalist era? Or is there really a problem to solve? To answer these questions, some insight into the outsourcing phenomenon is necessary.

Outsourcing, along with insourcing, co-sourcing, etcetera, is a form of sourcing which can be used as a business instrument in the organizational strategic management process of almost every kind of contemporary business. Outsourcing involves the transfer of a part of the internal processes of an organization (often along with the staff) to another (commercial) organization (an external service provider), often with a large impact on all parties involved.<sup>6</sup> When the total service or a part of the service is transferred abroad, this is called nearshoring or offshoring. In this kind of outsourcing the effects on the in-house staff are even greater, often leading to their unemployment.

The outsourcing of ICT is a very topical subject, because it is becoming an increasingly common organizational management instrument for dealing with change and competition. Thus outsourcing 'is constantly present' in a threatening way, ready to be applied at any time, depending on management decisions.

In practice, outsourcing decisions are still mainly made on cost grounds. Other important matters that should play a role in the decision-making process are often not taken into account. The ICT staff normally have no influence on decision-making, so rumours about outsourcing and decisions concerning outsourcing often result in diverse effects on the performance and attitudes of an organization's ICT staff.

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<sup>6</sup> Often an amplifying effect exists when the outsourcing concerns a transition of personnel from a non-profit organization, as will be shown in this thesis.

ICT professionals have a choice, roughly speaking, between working for an ICT provider for whom ICT is the primary goal and a profit centre, and the in-house situation, where ICT is a secondary concern and is applied to facilitate the primary goals of the company. ICT professionals could plausibly have a personal preference for working in an in-house ICT department, rather than working as ICT consultants, which might mean constantly travelling to and working for different customers. The constant possibility of being transferred to an ICT service provider could therefore be intimidating or demotivating. "ICT professionals may be worried about the job security, pay, pensions, travel distance, etcetera. Many ICT professionals may feel that their employer no longer wants them and so the most talented and important professionals may look for a job elsewhere" (Due (1992) and Gupta and Gupta (1992) in Hoogeveen, 2007: 949). It even can be the case that the existing constant 'threat' of outsourcing in an in-house situation prevents new ICT professionals from applying for an in-house ICT job.

Management is often unaware of the effect of outsourcing on staff. In the current economy, outsourcing, especially ICT outsourcing, is one of the 'normal' instruments used by organizations in order to survive 21<sup>st</sup> century competition. Therefore, ICT staff must live with the constant 'threat' of being outsourced and the challenge is to avoid the potentially negative effects on the atmosphere in the organization, productivity and the in-house ICT personnel.

As long as companies recognize the activities in the value chain, the question arises as to which of the activities must be performed by the company itself and which activities can be outsourced to a third party. Generally, the assumption is that core activities cannot be outsourced and all the other activities in the value chain can. This is also the case with ICT. Nevertheless, this is not as simple as it seems. Given the rapid evolution of ICT and its applications, and the fast changing contemporary organizational environment, the distinction between core and noncore is constantly shifting. The effect of this phenomenon on in-house ICT staff lies in its consequences. Because of the constant shifting of ICT activities between core, near-core and noncore status, the decision-making process is becoming very complex. Companies have struggled with this complexity for years and with the simultaneous questions as to who in the organization must participate in the decision-making process, and in what way that process must take place.

A climate of increased competition is expected in the Dutch government, and especially in the area of social security. The survival of the SVB may become contingent upon the use of ICT and ICT sourcing as important strategic instruments in reaching its primary company goals. A well-formulated and substantiated decision-making process is essential, particularly given the increasing rate of change in the 21st century and the dynamic character of ICT and ICT-sourcing. Nevertheless, in ICT-sourcing

theory<sup>7</sup> and communication regarding sourcing practice,<sup>8</sup> one can conclude that the position and interests of the individual employee are considered of little importance, leading to distressing cases of forced dismissal or transfer to a new service supplier. From the growing tendency of ICT outsourcing (Hoogeveen, 2007: 947), it can be expected that the presence of a typical in-house ICT staff is becoming more and more exceptional. Given the abovementioned quantity of discussion regarding this, it may be assumed that ICT professionals are acquainted with the threatening aspects of this phenomenon, such as the effects on job security, job location, colleagues, payment, etcetera. This can create a permanent sense of tension in the ICT workforce, feelings of insecurity and a lack of recognition by the employer, leading to a negative effect on motivation, and according to Lacity et al. (1996) even lower productivity and sabotage. This view of the outsourcing process is supported by the following empirical example.

In 2007, I was manager in the system development department of the SVB. Three of the external programmers temporarily employed in that department had originally come from one of the largest Dutch banks, which had been through a huge outsourcing process in 2006. After having been outsourced, these programmers found employment in the software house from which the SVB contracted them. I interviewed these people about their feelings during the whole process of outsourcing, from the initial announcement until the period after transition. The interviewees expressed the feelings presented in the following condensed example. The interviewee is a middle-aged programmer with a family and an average educational level. Although the other two interviewees had different family and educational backgrounds, the general purport in the three interviews was more or less the same.

After the announcement of the intention to outsource: *“Indignation, because the customer business unit doesn’t work efficiently, and that’s why the ICT is not efficient. I do my best, what more can I do? Despair; you cling on to certainties.”*

When the company continues undisturbed with the execution of the outsourcing: *“This is how it is, definitely uncertainty, agitation, am I thrown out? The older you are, the more difficult the situation. What are the consequences for me and my employment? Why do I still do this? Feel unrecognized, afraid, uncertain about the future, especially when you are over 40. Can I still maintain my family, can I still find a new job with my one sided [bank] experience?”*

<sup>7</sup> As described later in this document.

<sup>8</sup> In the period 2008-2010 at least 50 articles about outsourcing were published in the professional magazine ‘Computable’.

During the outsourcing process: *“Feeling unmotivated, I do nothing, why should I? Many talks at home, the family is the victim. Anger/rage about the top [of the organization], many informal talk sessions under all circumstances. High hopes, outsourcing is worse than bankruptcy (‘nobody can do anything about bankruptcy’). Denial, ‘burying one’s head in the sand’. Anger about the discharge compensation (it is what is legally required and no more), they make billions in profit and then they do this with a lot of puffed up financial reasoning.”*

Then, after realizing that it is final: *“Bond/loyalty with the company breaks, revenge feelings come up. Cancel the bank account, replace private stock. Many talks at home, stress for the whole family, tiredness, less energy/time for the children and the relationship.”*

Continuing: *“Your attitude after the ‘message’ becomes more and more egocentric, you look after yourself, not loyal anymore, get out of it what’s in it.”*

The management takes its time: *“Much delay, motivation decreases more and more, the situation is becoming exhausting. First the waiting for the dismissal letter – only after that can you leave, else you won’t get your dismissal bonus.”*

Later: *“More uncertainty about the future, feelings of failure regarding the family.”*

Then afterwards, the result: *“In the end it turned out rather well, but you never, ever want to experience this again. This is a very bad experience, everybody is negative about this.”*

The interviewee said that the experience of outsourcing was much worse than being discharged because of bankruptcy; s/he was convinced that bankruptcy would be more explainable and understandable. In my opinion this reveals a lot about the perceptions of in-house ICT staff concerning outsourcing.

For many years, in-house ICT staff repeatedly read or hear about outsourcing experiences from the external employees with whom they work. Assuming that the threat of outsourcing is a real phenomenon in organizations like the SVB, it can be concluded that this would have a considerably negative effect on the employee.

In organization theory and contemporary practice, outsourcing is regarded as a subject relating only to business economics. A lack of interest from companies, management and social scientists means that there is still little knowledge regarding the social consequences of outsourcing. In my opinion, the assumption that the organization is an entity of its own, which independently makes decisions, has some control over its future, has its members’ best interests at heart, and so on, is a simplification. Rather, I agree with Watson (2006: 157), who says: “...no organization is a being or an entity. To personify the organization is to forget that the organizations are always coalitions of interests which fight out their different positions”. The outsourcing phenomenon has

very much to do with human beings and their frailties, anxieties and urges, and not only with regard to assets. In the end the organization is the “construction of its members” (Munro, 2001: 399). This opens the way for research on the subject from the perspective of the human being in the organization.

I am concerned about what outsourcing does to ICT personnel; it is common in our society to live under constant professional threat, but what does it do to the people who are on the receiving end of such strategies? In this context it is important to reveal the factors which are possibly unique to ICT professionals in comparison with non-ICT professionals. Are they wholly comparable with other professionals? There have been several studies investigating this issue. Im and Hartman (1990) substantiated the earlier conclusions of Ferrat and Short (1986) (in Im and Hartman (1990)) who said, among other things, that ICT professionals have lower social needs and thereby possibly perceive less stress towards job-insecurity, such as that arising from outsourcing. Hoogeveen (2007: 950-951) also highlighted this issue and concluded from the discussion between Cougar and Zawacki (1980), Mak and Sockel (2001) and Hackman and Oldham (1975) that there may be differences between ICT professionals and non-ICT professionals. In my experience, however, ICT is becoming more and more a ‘normal’ industry with the consequence that the ICT professional might evolve into a ‘normal’ employee. It is worthwhile to compare the outcomes of the abovementioned studies with the outcomes of this research, in the hope that the results might be helpful in explaining the possible effects of the constant ‘threat’ of outsourcing on the in-house ICT staff of the SVB.

There has been a lot of research and much published on the subject of outsourcing, but the focus has always been on the company and its business goals like: efficiency (Gilley and Rasheed (2000), risk and strategy (Lacity et al. (1996); Earl (1996); Willcocks et al., (1999); Willcocks and Lacity (1999) in Hoogeveen, 2007: 947-948), relationship management (Lee (2003); Goo et al. (2004); Huang et al. (2004) in Hoogeveen, 2007: 948), and focussing on core business (Insinga and Werle (2000)). According to Hoogeveen (2007: 948), in this research “Very little has been done to investigate the attitudes and perceptions of the outsourced employees”. Delen (2005) distinguishes decision and control factors for the outsourcing of ICT. He considers the transition of personnel only as a control factor and examines outsourcing mainly from a non-employee perspective, but he does occasionally give brief mention to the negative consequences of outsourcing for employees, such as getting a new employer without having asked for one, and (in most outsourcing situations) the decreased quality of labour conditions. He also notes that the transition of personnel is always a sensitive process (Delen, 2005: 73-81). Hoogeveen (2007: 949) mentions the research of Logan et al. (2004) regarding the human being in an outsourcing situation with a pre-outsourcing scope. However, the information in this article on pre-acquisition attitudes was collected retrospectively (‘think back to when you worked for your old employer’). In my



opinion and that of researchers in this field (Hess, 2004: 1174; Kalmijn, 2002: 3), this type of data collection is less useful for research into what the ICT professional feels about the current situation, and for detecting the current effects. Shortcomings include the creation of bias, reliance on bad memories, unavailability of important data, and so on. To my knowledge, there has been no valid research to date on the perceptions of 'not yet outsourced' employees, the focus of this research. My intention is to encourage these employees to describe their feelings about working in a situation where management considers outsourcing to be a panacea for solving organizational problems, increasing profit and efficiency, reducing risk or satisfying shareholders' needs. I also hope to discover the effects of outsourcing on their motivation to continue working for the organization.

### 1.3 The outline of the research

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This book is a record of the abovementioned research starting with the following line of argument:

Human beings working in organizations are subjected to a rational strategic management process in order to have them perform their work in the most efficient way possible. In this process they are regarded as mere resources. ICT in organizations has an amplifying effect on this instrumentalization and ICT outsourcing may be considered to be the culmination of it. ICT outsourcing, as the transition of work and employees to a commercial service provider, can happen any time that management sees, mostly tactical, advantages in it. The assumption is that this threatening phenomenon, upon which the employee has no influence, arouses feelings of anxiety among the technical in-house ICT staff, who are most vulnerable to it. Assuming that every human being aims at the good in his/her life, ICT outsourcing is considered to be damaging for the self-fulfilment of the employees concerned.

The initial hypothesis in this research is therefore that:

'The in-house ICT staff of the SVB are constantly threatened by outsourcing. Management can and will decide to outsource at any time that outsourcing will lead to an increase in efficiency, or fits into the considerations of the ICT strategy. Considering the past experiences and the personal features of the in-house ICT staff, it is acceptable to assume they have developed an intrinsic anxiety about outsourcing.'

With this hypothesis as a starting point I critically examined the organizational concept and the human possibilities for self-fulfilment in organizational life. In strategic management, the collective and the individual<sup>9</sup> encounter each other in an antagonistic

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<sup>9</sup> In this research, the individual is the single, subjective human being, aiming at happiness and self-fulfilment. The collective, as it is perceived in this research, is the objective, rational organization, represented by management and dominated by a dogmatic drive towards efficiency.

relationship in the labour process, which is aimed at exploitation of the latter by the former. In the prevailing strategic management process, the top of the organization sets the goals and power cascades down through the hierarchy. The workers are directed to perform their work according to the aims dictated by the company objectives. In this instrumental process, ICT, with its emphasis on modelling, functions as a catalyst in the mechanization. Outsourcing intensifies this instrumentalization even more, and in the decision-making process the employee is almost completely ignored and considered as one of the resources. Outsourcing is a relatively new and powerful management instrument in the prevailing strategic management process and is performed at any time that management sees an efficiency opportunity. In this process there are hardly any possibilities for the employees to have some influence and to make their own choices. This situation seems to substantiate the hypothesis.

The attitudes of the technical in-house ICT staff concerning their work situation and the organizational practices of the Sociale Verzekeringsbank (SVB) were researched for the empirical examination of the hypothesis. It was concluded that the strategic management process of the SVB resembles the theoretical model presented in this document and the technical ICT staff of the SVB have the typical characteristics of vulnerability to ICT outsourcing. This means that the applied theory can in principle be used in the discussion section.

The empirical research was performed mainly by using the Social Photo Matrix (SPM) methodology. The participants of the SPM were also interviewed in order to gather more in-depth information, which substantiated the outcomes of the SPM. To check whether these outcomes were generally applicable to the technical ICT staff of the SVB, interviews were held with a reference group; these confirmed the general applicability of the outcomes of the empirical data analysis.

In the discussion the empirical data is tested against applicable theoretical concepts with the aim of validating the initial hypothesis. In the validation of the hypothesis it became clear that the technical in-house ICT staff of the SVB feel threatened by the constant possibility of ICT outsourcing and that management has influence on this constant threat. However, the participants did not express the expected severity in their anxious feelings about the constant threat of outsourcing. This was surprising and partly a refutation of the hypothesis, leaving the question: why?

The hypothesis had to be partly revised and the data had to be analysed for a second time to validate the new hypothesis. Critical theory, especially that of Herbert Marcuse, was applied in the discussion. The SPM methodology had already been selected for use in this research due to its emphasis on revealing hidden information, that is, what is normally left unsaid. Marcuse's theoretical concept of 'repressive desublimation' (Marcuse, 1991) relies on this kind of hidden, repressed information,

describing the manipulative power of the prevailing capitalist paradigm to repress dialectical, critical thinking and accept the immediate satisfaction of primary needs. This results in the false assumption that the prevailing way of life in contemporary society/organizations is the 'good life', while real self-fulfilment according to the human essence is repressed.

Contrary to the starting point in my research I should have expected that the research group would not show anxiety, because through manipulation by the prevailing powers they believed that their organizational life was the best it could be. This differed from my first assumption in that they would not complain and would feel no anxiety, because they were satisfied by the immediate incentives given by the current organizational labour conditions. This repression also leads to personal 'damage', only not as antithesis in a dialectical, two-dimensional way eliciting anger, frustration, refusal and rejection, but as excessive adaptation and one-dimensionality. In this way, the faculties necessary for the critical assessment of the managerial actions on their behalf (like outsourcing) were repressed, negatively influencing their possibilities for self-fulfilment. They didn't see this situation, because they tended to think and act in a closed and positive mode.

'Repressive desublimation' as a theoretical concept is not widely applied in empirical research. The application of the concept in this research led to the transparency necessary for drawing conclusions, the empirical data thereby confirming Marcuse's concept.

## 1.4 Layout of the document

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The document starts with the acknowledgements section, followed by a Table of Contents providing the reader with an overview of the thesis.

Chapter One introduces the researcher and the research, and outlines the motivation for the project. An outline presents the reader with a short overview of the research.

In Chapter Two the organizational concept is critically assessed in light of the theoretical image of the general organizational drive to operate successfully in the modern, Western, capitalist era. First, the focus is on the prevailing strategic management process, including the use of ICT and ICT outsourcing as organizational instruments. These aspects are discussed from the angle of the labour process theory and critical management studies.

Chapter Three gives a picture of the practical context wherein the research takes place. The Sociale Verzekeringsbank is introduced and described. The most important features

of the organization, the actual strategic management process, the use of ICT, the experiences with ICT outsourcing and the features of the in-house ICT staff are highlighted.

Chapter Four presents the applied methodology to be used for the gathering of the empirical data. The chapter elaborates on the methodology, with particular emphasis on the Social Photo Matrix, because this methodology has an important role in the quality and richness of the data.

In Chapter Five the case study is described with reference to the scope of the research. The photographs used in the Social Photo Matrix are introduced. The analysis of the data is structured according to the itemization: 'work', 'product', 'the other' and 'the self'. The data is analysed in the context of the initial hypothesis. The participants' elaborations on the photographs in the Social Photo Matrix are used to draw conclusions about the four abovementioned aspects, and substantiated by the outcomes of the interviews. The results will be used in the discussion section.

In Chapter Six the case study results and related literature are discussed in light of the hypothesis. After establishing that the hypothesis seems to be partly refuted by the data, a second data analysis is performed. For this, the theoretical principles about human self-fulfilment are linked to the human vulnerability to the enticements of modern capitalist society, leading to one-dimensionality. The outcomes are assessed against critical theoretical concepts, specifically the 'repressive desublimation' concept proposed by Herbert Marcuse. Conclusions are drawn and the validity of 'repressive desublimation' in terms of this empirical research is established.

Chapter Seven presents a personal reflection from the researcher on the research subject beyond the scope of the research.

References are cited in alphabetical order and a summary of the thesis in Dutch is included.

Appendices are placed together, and include information important to the research, such as the explanation of the abbreviations used throughout the text, the organizational model of the SVB, quantitative data, invitations for the SPM workshops, and the questions used in the interviews.

Chapters One to Seven each start with a short abstract of the most important subjects covered within. Where applicable, the chapters close with a paragraph containing the most important conclusions. For the most part, the literature used in the research is either originally in English or an English translation from other languages. I occasionally quote from original non-English literature sources, in which case, I provide

translations of these quotations in the text, and the original quotations in footnotes. My translations can be identified by the suffix [FB], except for the quotation of the empirical research, because it is evident that these are translated by the author. Throughout the document, material quoted from the empirical data is recognizable by the placement of the (fictitious) names of the participants before the quotation, and by the use of double quotation marks and italics for the quoted text.

In the text, the word 'worker' is generally used to address the position of the working employee. Although in critical theory the distinction between 'labour' and 'work' is, often explicitly, stressed to distinguish between alienated and non-alienated labour respectively (e.g. Marcuse, 2006: 212), I have chosen not to do this for reasons of comprehension and the readability of the text.

I have used the neutral expressions s/he and his/her throughout the text, except where the male or female pronoun is obviously applicable.

# 2

## Critical examination of the organizational concept

This chapter will give a critical view of the organizational concept in which individuals must accomplish a large number of their personal objectives. This is presented within the common framework of the strategic management process examined with a critical theoretical approach, mainly based on labour process theory and critical management studies. The intention is to highlight the instrumental organizational objective in the general strategic management process, in which human beings are considered merely as resources. ICT in organizations has an amplifying effect on this instrumentalization and ICT outsourcing may be considered to be the culmination of it.

### 2.1 Introduction

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Human development through the ages has seen the transformation of gatherers into settlers and farmers into manufacturers, producing and identifying with products. Following the industrial revolution, manufacturers were transformed into workers, using machines instead of their own body power to produce manifold products for company owners. The distance between the worker and the end product became greater. The division of labour saw workers investing their efforts in producing multiple different, often unrecognizable, parts of end products. In this process, all kinds of more or less hierarchical relationships emerged, wherein for instance the relationship of chief to worker changed from one to a few to one to many, thereby creating a web of classes opposing each other (Marcuse, 1999: 289). In order to manage this in a desirable fashion, according to labour process theory, bureaucracy and hierarchy came into being.

This created the situation whereby those at the top of the organization hold the reins and steer the organization in the desired direction, that is, in the direction of the company goals. This is the managerial part of the organizational bureaucracy, encompassing human resource management, marketing management, financial management, information management, etcetera. In the whole strategic management process, the human being is usually considered to be a resource, a production factor (Coenen, 2004: 55), which can be exploited in order to reach the company goals. Thus in organizations, the strategic management process may be considered to have its greatest effect on the life of the employee.

Outsourcing is becoming more and more applicable in an increasingly competitive environment. According to Giarte and Morgan Chambers<sup>10</sup> around 70 per cent of Dutch organizations had experience with outsourcing by 2003. Governmental organizations were somewhat behind, but this has changed due to the government's economy measures, resulting in perhaps an even greater use of outsourcing than in private companies.<sup>11</sup> However, it is not easy to determine whether the organizations perform their decision-making processes in the most effective way possible. Buijs et al. (1996: 7) euphemistically describe the decision-making process concerning outsourcing as not always being very clear and logical, something I can confirm from my own experience. One thing we can learn from the organizational environment is that after hosting, support and the processing of hardware, the system development processes will be the next most popular section of ICT for outsourcing. The more technical the process is, the more likely (and easy) it is to be outsourced.

For an organization this is acceptable, but from the press coverage of these situations, it may be assumed that technical ICT staff will be concerned. The presence of an outsourcing policy and a decision model is no guarantee for a good process and outcome with regard to the human beings in an organization. Outsourcing is nevertheless becoming an increasingly normal strategic management instrument.

## 2.2 Critical labour process analysis

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Since Marx first criticized the organizational exploitation of subordinates by capital owners and supervisors in the industrial revolution, theorists have undertaken a critical analysis of the labour process in organizations.

The organization is one of the forms of societal structures in which people have to survive. Organizations are mainly characterized by the multiplicity of different tasks and positions, the division of labour, the rulers and the ruled, the hierarchy, the processes mainly aimed at efficiency, and the bureaucracy.

This understanding is more or less based upon a combination of the principles developed in the 18<sup>th</sup> century by Adam Smith (2003) and in the early 20<sup>th</sup> century by Frederick Winslow Taylor (2007). The former saw the division of labour as something that, although devastating for the workers, was good, bringing more efficiency to the production process. He saw it also as something good for the whole society, done unintentionally by the entrepreneur, as if led by an 'invisible hand'. Taylor developed

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<sup>10</sup> "What's core and what's not?" Business Topics, Outsourcing, bijlage bij Management Team, 06-06-2003, 6.

<sup>11</sup> "Outsourcing van ICT door overheidsinstellingen," Stichting Economisch Onderzoek van de Universiteit van Amsterdam [on-line] [www.fee.uva.nl/seo/rapportdetail](http://www.fee.uva.nl/seo/rapportdetail), accessed 25 March 2004, 1.

the concept of a vast bureaucracy and hierarchy to control the process and perform it in the most efficient way. This is in contrast to the approach of Marx (1990), however, who saw it from a completely different angle, being the deterioration of the whole situation in the practice of the worker.

The division of labour can roughly be seen as one of the main origins of the contemporary organizational work environment in which in-house ICT professionals have to work. Both Smith and Marx agreed to an extent on the negative effects of the division of labour on the individual worker, particularly regarding the blunting effect of performing segmented work. However with some changes, such as those to education, Smith considered the division of labour as a positive development for the 'wealth of nations', while Marx mainly viewed it as a hierarchical social development, resulting in a hierarchy of skilled and unskilled labour powers. Marx extrapolated this hierarchy to the development of the segmentation of society into different forms of elites, both enclosing and locking out human beings. Frederick Winslow Taylor added to this hierarchical process a method that in his eyes abolished the negative effects of the division of labour for the employee and amplified the positive effects of it for the employer. He introduces his method with this statement: "The principle of management should be to secure the maximum prosperity for the employer, coupled with the maximum of prosperity for each employee" (Taylor, 2007: 9). To accomplish this, Taylor applied his scientific management principles to the invention of the 'mechanical' production process, resulting in maximum control by the management and minimum creativity and freedom for the worker, in order to increase efficiency. In this endeavour, Taylor was one of the first to introduce detailed planning of the work to be done and the method to be used by the workers. In practice this worked out to be a subdivision of labour, literally comparing a mature human being to a grown up child (Taylor, 2007: 69), incapable of making decisions and living by itself in complex society.

Though all three of the abovementioned authors saw, to some extent, the negative effects on the worker of the capitalist drive towards efficiency, each of them found a way of rationalising it. In Smith's notion of the 'invisible hand', the suffering of the employee was a sacrifice for the wealth of the nations. The emphasis was on allowing the entrepreneur to do his/her job, and everything would work out fine for society. Marx was more pessimistic, but, viewed objectively, his emphasis on the position of the worker could be viewed positively, in terms of a possible revolution to bring about the greater well-being of the workers. Taylor was convinced that the wealth of the company also resulted in increased wages for the employees, equating prosperity with the well-being of the employees. To this end, he introduced a responsible third party in the organizational process: management. Taylor (2007: 70) spoke of management activity in terms of helping, teaching and directing, which sounded good, but was actually a form of intensive control ensuring that the workers did exactly what the manager directed them to do, by the prescribed method and with the desired speed,



more or less like a machine. Taylor proposed eight foremen with different roles aimed at controlling every aspect of employee activity. These elements of Taylor's scientific management system in particular are still recognizable in the labour process in contemporary organizations. "Perhaps the most longstanding is the mechanistic metaphor of the organization as a machine [Taylor was a mechanical engineer]" (Grey, 2002: 7). Even the word 'organization' evokes associations with mechanized processes. Morgan (1986: 343 in Coenen, 2004: 29) notes that the mechanical connotation of the word 'organization' is not surprising, since it is derived from the Greek word 'organon', which means tool or instrument.

The established labour process in organizations plays an important role in the drive towards the self-fulfilment of the individual worker who spends a large part of his/her active life in this process. "Despite the fact that the labor process is a conception of work devised by Marx in the nineteenth century (Marx 1970-1887: 177), it was not used very much for studies of work until taken up by left activists in the twentieth century" (Ackroyd, 2009: 264). Of course the labour process evolved over the course of this period, but mostly with the emphasis on the perspective of the employer/capital owner. The principles of Smith and Taylor described above result in a thoroughly planned, efficient, controlled and rational enterprise in which the individual often tastes defeat (Marcuse, 1991: 146).

Thus in order to answer the question of what the labour process is, we must initially refer to the works of Marx whose "conception of the labour process shows how capital produces profit by employing workers who have to sell their labour power as a commodity in order to reproduce themselves" (Böhm, 2006: 139). From this clear description the conclusion can be drawn that there are two actors in this organizational process, the worker or employee selling labour, and the capital owner or employer purchasing labour. According to Marx, the former is an agent in this relationship for reasons of survival, and the latter for acquiring the surplus value of the labour of the former, in order to increase capital. The evident inequality leads to an antagonistic relationship between these two agents. This is, roughly speaking, the field of labour process theory which was revived in the 1970s and "was stimulated by the publication of Harry Braverman's *Labor and Monopoly Capital* (1974)" (O'Doherty and Willmott, 2001b: 112). It "promoted an alternative to the [prevailing] diet of 'cow sociology' that took the form of a humanized scientific management" (O'Doherty and Willmott, 2009: 932).

Braverman critically assesses the labour process in the workplace mainly from the Marxian, exploitative perspective, "where management, as an extension of capital, seeks to produce surplus value by exploiting labour power" (Böhm, 2006: 140). To maximize the surplus value, according to Braverman (1998: 39), "it becomes essential for the capitalist that control over the labour process passes from the hands of the

worker to his own". In this development of the labour process the controlling activity evokes the practice of management as a function in the work relationship. This division of control and execution degrades the labour of the worker, transforming him/her into a 'cog' in the profit-producing enterprise of the capital owner. Division of labour provides for further degradation by dividing and subdividing "processes involved in the making of the product [or service] into manifold operations performed by different workers" (Braverman, 1998: 50). According to Braverman (1998: 55), this is devastating for the worker and advantageous for the capital owner. "Labour had to be impoverished, argued Braverman, before the aims of capitalist production could be met" (Spencer, 2000: 225). This impoverishment of the labour of the worker by the capital owner in the labour process is directly related to the Marxian concept of alienation. In this labour process, the worker is viewed as a resource for achieving organizational aims. Labour is becoming an increasingly commoditized activity detached from the control of the labour process, which is transited to a Taylorian management function for the control and direction of each step of the process, including its mode of performance (Braverman, 1998: 62). This labour process leads to an antagonistic relationship between "those who manage and those who execute" (Braverman, 1998: 47). The manager serves in this struggle as an extension or intermediary of the capital owner. "Like a rider who uses reins, bridle, spurs, carrot, whip, and training from birth to impose his will, the capitalist strives, through management, to control" (Braverman, 1998: 47). In this organizational struggle, it is inevitable that the worker tastes defeat. In order to increase efficiency, the capital owner and the management constantly rationalize, mechanize and reorganize organizational processes, affecting the labour process of the worker (Braverman, 1998: 217-218). Contemporary examples include increasing management control, degradation and deskilling of work, standardization, automation, constant change and outsourcing.

Braverman's labour process theory emphasizes the Marxian class struggle and distinguishes the two main actors, capital and labour, as classes in themselves. This Marxist tendency "has been criticized by a long line of radical intellectuals, from critical theorists of the Frankfurt School, such as Adorno and Marcuse, through to various post-modern theorists such as Foucault" (Hassard et al., 2001: 353). An important objection of critics is the 'neglect' of the subjective factor. In the search for complementary theories, "disillusioned labour process theorists [thereby] have increasingly turned to Foucault or critical theory for inspiration" (Hassard et al., 2001: 353).

Foucauldian poststructuralists claimed that labour process theory represented the "workers as rather passive, conditioned victims of 'objective' capitalist structures and dynamics rather than active participants in the reproduction of these structures through processes of (class) struggle and accommodation" (O'Doherty and Willmott, 2001b: 113). In other words, the critique, fitting in with the poststructuralist current, was that Braverman neglected the "subjectivity and [self] identity" of the agents who

could play an active role and make a difference in the labour process (O'Doherty and Willmott, 2001a: 457; 2001b: 129; 2009: 945). In the opinion of poststructuralists, these aspects are a complement to the 'objective' view of Braverman which they called "the missing subject" (O'Doherty and Willmott, 2001a: 457). In this regard, poststructuralists highlight the fact that in organizations real human beings work in the 'objective processes and structures' that "are inescapably embedded within fractious and disputatious power relations – both as subjects and objects. Rather than power simply being exercised by management during the phase of 'direct control', post-structural analysis understands power relations to be co-implicated with the existential concerns and identity, together with the economics of managing the employment relation" (O'Doherty and Willmott, 2001a: 470). This description stresses the importance of the labour process and the incompleteness of it concerning the working individual, in the view of Braverman. O'Doherty and Willmott thereby propose a hybrid position (2001a: 467) in which they offer "a focus upon subjectivity, congruent with labour process analysis" (O'Doherty and Willmott, 2001a: 468).

Critical theorists originating from the Frankfurt School, like Marcuse and Fromm, "have sought to read Freud and Marx together in their attempt to critique the historical emergence of capitalist culture and subjectivity" (Böhm and Batta, 2010: 350). Poststructuralists base their theory on the power-knowledge concept of Foucault in the context of resistance and the negotiation of active subjectivities and identities in the organizational relationship. Critical theorists, like Marcuse, in short, focus more on the subjective, repressive effects of capitalist, managerial domination and alienation in the work relationship and try to exemplify why individuals adapt and conform and thereby help it to endure. Both currents bring in the psychoanalytical angle to accomplish a more complete view of the labour process theory. In my opinion, these views do not exclude each other but can enrich each other in approaching the organizational relationship from several psychoanalytical angles. Acknowledging these critical approaches to subjectivity as complementary to labour process theory makes them, in my opinion, even more applicable to contemporary empirical research from the perspective of the human being in organizations, such as this research. By emphasizing not only 'objective' processes, structures and relationships, but also the subjectivity of both the worker and the manager in the labour process, the social psychological dimension of organizational relationships becomes more real, complex and complete. "Acknowledging the issue and question of subjectivity opens up for inspection of the 'complex-media' of capital-labour relations, that difficult space where work organization gets produced and reproduced in the everyday accomplishments of agency and social interaction" (O'Doherty and Willmott, 2001a: 459).

This sheds light on the organizational struggle of human beings. My research hypothesis is therefore based upon the argument, echoed in labour process theory, that employees suffer the consequences of having capitalism forced upon them in the form of outsourcing.

Because of its importance and applicability, over the years “the labour process has been adapted and developed so that it has become the basis for a surprising range of empirically grounded research projects” (Ackroyd, 2009: 268). However, both of the critical approaches to the labour process theory described above will be applied in the following critical assessment of the strategic management process, with the emphasis being on the approach of critical theorists.

## 2.3 Strategic management

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To survive in the era of capitalism and guide the organization through the competitive environment, many companies have a strategic management process in place. The strategy is central to this process. Strategy can be defined as follows: “The art of warfare, especially with regard to the making and executing of plans for movements on a large scale: *the task of strategy, in accordance with the circumstances, is to determine the general military objective of the war*” [FB]<sup>12</sup> (Geerts and Heestermans, 1984: 2791). In business administration, strategy is also expressed as: “A long-term plan concerning the function of the enterprise in society, in which the enterprise declares which goals it wants to reach, and by which means and methods.” [FB]<sup>13</sup>. The following shortcut definition is also often used: “The definition of a plan of attack to ensure that organizational goals will be accomplished, the organizational goals being dependent upon the chosen mission and ambition. The mission indicates the reason for the organization’s existence. The ambition concretizes the three to five year aims of the organization” [FB]<sup>14</sup> (Gillissen, 2002: 3). Within the scope of strategy, all of these definitions also address aspects such as: a sense of purpose; proceeding according to a plan; actions as well as plans; and interaction with the environment (internal and external).

One can conclude from the above that the main drive of an organization is achieving a goal in the competitive environment. This means competition with other organizations that have more or less the same goal, using an explicit or implicit strategic management process to accomplish it. Thus the goal must be fought for and therefore the company has to use its employees and executives to do so. Strikingly, all of these definitions also radiate a form of perseverance which is also illustrative of warfare;

<sup>12</sup> “Kunst van oorlogsvoering, met name voor zover deze bestaat uit het maken en uitvoeren van plannen voor bewegingen op grote schaal: *de strategie heeft tot taak, telkens in overeenstemming met de omstandigheden, het algemene militaire doel van de oorlogsomstandigheden te bepalen.*”

<sup>13</sup> “Een lange termijn plan inzake de functie van de onderneming in de samenleving, waarin de onderneming aangeeft welke doelstellingen ze wil bereiken, met welke middelen en langs welke wegen.” “Inleiding Bedrijfskunde Bijeenkomst 3,” Presentation about business administration [on-line] [www.math.unimaas.nl](http://www.math.unimaas.nl), accessed 31 March 2004, slide 2.

<sup>14</sup> “Het definiëren van een aanvalsplan om te zorgen dat de organisatiedoelen worden gehaald, de organisatiedoelen zijn afhankelijk van de gekozen missie en de ambitie. Immers de missie geeft de bestaansreden van de organisatie aan. De ambitie concretiseert waar de organisatie naar streeft binnen een termijn van drie tot vijf jaar.”

in some of the definitions this connection is explicitly made. Managers and organization theorists use the parallel of warfare and strategy to express the seriousness of the competition (Kaulingfreks, 1996: 126; Levy et al., 2003: 94), not least because of the influence of management gurus who exploit this idea. One of the most influential management gurus, Porter (1998), has made an 'art' of this. He exploits the theme of competition, wraps it in the drive for victory, and dresses it with a Machiavellian (2008) sauce. The result is a simplified theme stuffed with rivalries to overcome, threats to eliminate and opportunities to seize, against every sacrifice. Contemporary managers avidly swallow this 'propaganda' and become increasingly dependent "upon the simplistic fixes peddled by the gurus" (Ezzamel et al., 1994: 455).

The recent capitalist way of business elicits from Marcuse the Weberian pronouncement: "And the capital accounting of mathematized profitability and efficiency celebrates its greatest triumphs in the calculation of kill and overkill, of the risk of our own annihilation compared with that of the annihilation of the enemy" (Marcuse, 2009: 155). This likening of bureaucratic organizations to the army (Peeters, 2006: 160; Sennett, 1999, 84; Sennett, 2004: 164-165; Sennett, 2006: 59), colours almost every aspect of contemporary organizations, from the macho rhetoric and atmosphere, the vast hierarchy with unquestionable power, to the uniforms – the business suits and the overall with the company logo. These military metaphors also aim at legitimating organizational inequality, hierarchy (Levy et al., 2003: 105) and defensive and aggressive behaviour for the sake of the imperative for competitiveness. This elicits from Sievers (2006a: 112) the comment: "It seems to me that the psychic dynamic of the organization is caught in a behaviour and a way of thinking which are typical of the paranoid-schizoid position." As Marcuse (2009: 25) asks himself, isn't the basic political relationship the friend-enemy relationship and its crisis war?

Power is therefore central to strategy; without it there is no real movement possible in the direction of the desired (organizational) ends. Ten Bos and Kaulingfreks (2005: 128) make associations in this context between warlords, city suppressors, conquerors, lords of industry and managers of large concerns. In Europe, leaders have long been distrusted, as illustrated in stories from Greek history (e.g. Homer, 2010; Xenophon, 1990), Machiavelli (2008), and up until the present day (Stoker et al., 2003: 197). The American leadership and strategic management mentality is quite the opposite, as will be shown later in this document, and it is rapidly influencing the European view in the contemporary capitalist paradigm.

If we study the applied definitions more closely, an important aspect is planning, that is, determining the goals and planning the actions required to achieve them. Interaction with the environment is a condition necessary to the success of the planning process in reaching the goals. To gain an accurate insight into the concept of strategy, it must be approached from the aspect of planning: strategic planning. To be

effective, strategic planning must be manifest at every organizational level: at the strategic level, to give direction to the whole company; at the tactical level, to assign the human and non-human resources; and at the operational level, to define the actions of the human resources for the realization of the strategic plan. This means a cascaded process of planning and control, whereby it is evident that the lower levels obey the higher levels. This cascade of control confirms the power at the top of the organization and by assuming that systematic control of social relations is possible, management “treats people as if they were simply objects” (Grey, 2002: 12).

Because the competitive environment of a company is continuously changing, the company must constantly alter its business strategy in order to achieve the primary company goals. This has consequences for both the strategic management process and the staff involved. In the strategic management process, the manager is largely seen as a planner, for the most part treating the human factor as a resource which is very adaptable to any situation without defiance (Fromm, 1968: 98). Because a business strategy is not static, but is constantly adapting to its environment, it is too restrictive to try to fathom this phenomenon by only examining the facet of business strategy. It is important to examine the entire process by which the strategy comes into being, is implemented, and is managed. Pearce and Robinson (2003: 3) put it as follows: “Strategic management is defined as the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company’s objectives”. They write that this process is taking place on every hierarchical level, and that managers participate at all of these levels. In their vision on strategic management, the University of Utrecht puts this into words as follows: “Strategic management, from our point of view, stands for both an organizational development process and a style of management. Vision and strategy are the hallmarks of the enterprising manager who knows how to find a balance between thinking and doing, between reflection and action, between past, present and future.” [FB]<sup>15</sup> Beautiful words used to express the process by which staff are manipulated (ten Bos and Kaulingfreks, 2005: 128) to achieve what management craves – the satisfaction of the shareholders, and thereby the endorsement of their own actions. For this, the strategic management process is perfect: apparently transparent and hierarchical, the division of tasks and the control over them are intrinsic in the design.

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<sup>15</sup> “Strategisch management, vanuit onze optiek, staat voor zowel een organisatieontwikkelproces als een stijl van management. Visie en strategie vormen het keurmerk van de ondernemende manager die een evenwicht weet te vinden tussen denken en doen, tussen reflectie en actie, tussen verleden, heden en toekomst.” “Visie op strategisch management,” [on-line] [www.usg.uu.nl/onderwijs](http://www.usg.uu.nl/onderwijs), accessed 27 November 2003, 1.

## 2.4 Strategic management dissected<sup>16</sup>

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To give an impression of the process within which ICT professionals perform their work, the different aspects of the strategic management process are briefly presented below, with reflection based upon organizational and critical theory.

### 2.4.1 Mission

Roughly speaking, the mission is a message to all of a company's stakeholders about the long-term direction and performance of the company. According to standard organizational theory, such as that of Pearce and Robinson (2003), the mission addresses those aspects concerning the rationale for the existence of the company, such as the reason for it to be in business, the economic objectives, the philosophy of the operation in terms of quality, corporate image, and self-image, the core competencies and competitive advantages, the customers who will be served, and the company's responsibilities towards stakeholders, employees, society, the environment, social issues and competitors. As a result, the mission contains components such as the basic product or service, the primary market, the main production techniques, company goals relating to survival, growth, profitability, company philosophy, public image, self-image, sensitivity to the customers' wishes, quality assurance and a vision statement.

In principle, the most important aspects which must be communicated in the mission are the goals and how to reach them. Although the employees play the largest part in this endeavour, in the mission they are usually missing. This seems obvious, as this is the responsibility of the top of the organization's hierarchy and, especially in large organizations, upper management is close to the 'shareholders' and distanced from the employees. Those at the top of organizations frequently don't keep the employees in mind; worse, the employees are often seen only as a means. "Orders, suggestions, planning emanate from the top and are directed to the bottom of the pyramid. There is no room for the individual's initiative. Persons are 'cases'" (Fromm, 1968: 104).

In my opinion, the manipulative powers are especially visible in the mission. Specifically, the vision statement, "the primary function of the organization" [FB]<sup>17</sup> (Ahaus and Diepman, 2001: 44), serves as a focal point in this context, mostly occurring in the form of a one- or two-liner that can serve as the company banner. As such

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<sup>16</sup> For the purpose of comparison with the practices of the SVB and reflection upon critical organizational theory, prevailing strategic management process is used in this section. In this case the approach of Pearce and Robinson (2003) in *Strategic Management: Formulation, Implementation, and Control* is suitable because of its general, global utilization in management education. It serves in this research as an example of a mainstream approach to the strategic management process in the contemporary capitalist paradigm.

<sup>17</sup> "De primaire functie van de organisatie".



it often deteriorates into strongly-worded rhetoric, a mere company illusion of a future victory. Ten Bos (1998: 14) bluntly calls it a lie resulting in the thoughtless effort and obedience of the employees. Lissack and Letiche (2002: 88) underline the manipulative force of the vision. They write that many managers desire it to be 'absolute and objective' (the truth), intended to motivate the troops.

There are two principal characteristics of the vision which are extremely important for the organization. Firstly, the vision directs without room for questioning, seemingly stating to every employee, manager and subordinate, 'either you stay and conform or you go'. Secondly, it serves as an anchor point for control; everything the employees are doing in the organization must be in line with and is measured against the vision. This constant assessment works horizontally between the employees, but also vertically through the human resource management processes. It can be seen as a form of manipulation of the management and workers by the Board of Directors, to ensure that they do the right things and move in the right direction.

#### **2.4.2 External and internal environment**

Situations that companies find themselves having to deal with often originate from a combination of dynamic forces in the external environment. Organizations make strategic plans for a long period of three to five years ahead, using external environment prognoses to predict the potential interaction with and impact on the business. Although it is almost impossible for companies to make accurate predictions based upon these prognoses, most spend a considerable amount of time doing it, because they have been convinced (by gurus, advisors, external consultants, etcetera) to formulate an image of the future. Theorists such as Keuning and Eppink (2000: 438) state that this activity creates more awareness of environmental developments, with the underlying assumption being that this enables the decision makers to narrow down the range of potential options and to eliminate those which are clearly not in line with the predicted opportunities, leaving only the most promising possibilities. In my experience, organizational forecasting comes with high expectations, but the results are disappointing, because in the ever-changing and complex organizational environment, it is difficult to see the future clearly. The environment changes so rapidly and unpredictably (Ezzamel et al., 1994: 455) that anticipating developments and changes is almost impossible, forcing the organization to adopt a day-by-day management approach.

In the present day, there is a perception that the social and natural environment are also good and noble aspects worthy of being addressed in the modern strategic management process. By exploiting the environmental aspect in their endeavours, the management of organizations hope to avoid eventual business damages or perhaps even gain a competitive advantage. The same counts for the position of the employees – even when this is addressed, the focus is entirely on reaching the company goals and satisfying the shareholders, mainly in terms of increasing profit or decreasing costs.



The question arises as to whether this is ethically just. This question is ignored in the strategic management process, and instead the Machiavellian cliché – ‘everything is allowed that benefits the goals’ – runs rampant.

The continuous connection of a company's internal environment with changes in the external environment plays a large role in the strategic management process. Management must therefore continuously analyse both the internal and external environment. Michael Porter's 'value chain' concept can be applied for the internal analysis (1998: 36-43). The value chain is a way of seeing a business as a chain of activities that transform input into output with added value for the customer. The method seeks to understand how a business creates customer value through examining the contribution made by each of the different activities to the customer value. Michael Porter describes the value chain as follows: "Every firm is a collection of activities that are performed to design, produce, market, deliver, and support its products. All these activities can be represented using a value chain. A firm's value chain and the way it performs individual activities are a reflection of its history, its strategy, its approach to implementing its strategy, and the underlying economics of the activities themselves" (1998: 36-37). The value chain identifies nine strategic activities which create value and costs in a specific business. The company's task is to investigate the costs and the performance of each of the activities and to devise potential improvements. This is called strength/weakness research, a systematic analysis of the characteristics and performance of the organization at a particular moment, compared with the organization's past or the future, or with the characteristics and performance of another similar organization (Keuning and Eppink, 2000: 443). According to Porter, a company only can acquire a sustainable competitive advantage by positioning itself externally, capitalizing upon the strengths and opportunities and minimizing the weaknesses and threats. Conducting a SWOT<sup>18</sup> analysis can help determine the connection between the internal strengths and weaknesses of a company and the opportunities and threats from the external environment, making it an indispensable activity in the strategic management decision-making process.

The internal and external analyses in the strategic management process seem to have nothing to do with employees and their well-being. It is as if the employees do not exist and the company can do without human beings, yet on the other hand, the whole process is permeated with the assumption "that orders are given to be realized in physical human activities" (Letiche, 2000: 435). The internal environment, consisting of employees performing within the internal processes, is to be optimally exploited in order to reach the company's goals in the external environment.

In this context in particular, the scientific management philosophy of Frederick Winslow Taylor (2007) shines through, with every aspect of the detailed execution of

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<sup>18</sup> Strengths, Weaknesses, Opportunities, Threats.

the strategy being aimed at efficiency and prosperity for the employer (Braverman: 1998: 59). While Taylor appeared to take into consideration the prosperity of the workers (although by this he mainly meant wages), the human resources are apparently positioned among the other resources in this section of the process. Only if they represent core competencies, meaning competencies with value for the company (goals), are they protected from suffering under unrealistic demands. According to most organizational literature, a human resource management process is in place to deal with this matter. The core human resources are kept fit for the confrontation with the external environment and the non-core human resources are kept as quiet as possible. This encounter between the internal and the external environment is about efficiency, increasing productivity and business, and decreasing costs, with the aim of succeeding against competitors.

### 2.4.3 Long-term objectives

Goals are the focal point in the strategic management process. Defining company goals answers the question as to how to make obvious to the employees which challenges they should take up in order to 'serve' successfully under the 'banner'. "Determining goals serves primarily to identify relevant, strategic alternatives or the strategic direction in which the whole company as well as its parts must go (source Lorange)" [FB]<sup>19</sup> (Mintzberg, 1994: 65). Management directs and the rest *must* follow according to rather uncertain 'relevant, strategic alternatives'. Management theory sees long-term objectives as "statements of the results a firm seeks to achieve over a specific period, typically three to five years" (Pearce and Robinson, 2003: 155). Thus, according to this theory, long-term objectives are presented as statements; in the best case as assertions or elucidations, or in the worst case as allegations or contentions. To whom are these statements made? Not primarily to the market, which would be tantamount to telling the competitors your plans, and not to management, seeing as they devised the objectives in the first place. The statements are intended firstly for the company's main customers, and secondly for the employees, the subordinates. According to standard organizational theory such as that put forward by Pearce and Robinson (2003: 155-156), distinctive areas are articulated in these statements of the company's long-term objectives, such as profitability, productivity, competitive position, technological leadership and public responsibility. In my experience, long-term objectives mostly address the first two areas or their non-profit equivalents: efficiency and services per unit of time. The other aspects are also addressed, but mainly in the context of the success of the first two. The long-term goals are used as the main focal point for the direction of the business, and thereby are the anchor used in monitoring the execution of the implemented strategy. They are the means of making the

<sup>19</sup> "Doelstellingen bepalen dient primair om relevante, strategische alternatieven op te sporen waar of in welke strategische richting, zowel het gehele bedrijf als zijn onderdelen zich moeten begeven (bron Lorange)."

organization's aims visible and understandable, and thereby aid middle and operational management in communicating in global terms the desires of the upper management to the employees. With the communication of the long-term goals, the focus in the strategic management process slowly turns toward the workers, but not on their well-being. For the intermediaries, middle and operational management, the long-term goals are the tool to communicate actions. The employee as a stakeholder is addressed by the goals, but is only linked to productivity in combination with loyalty to the organization. This implies good compensation and job security, which can be seen as an advantage for employees, however in the context used here, it may be concluded that this only counts for those desirable employees who perform positively in terms of the organization's drive for competitive advantage.

#### **2.4.4. Business strategy**

As shown in the previous section, long-term objectives are generally used to focus and guide business strategies in order to achieve business goals. Michael Porter (1998: 11-26) defines three general strategies for a company to successfully compete in the market. The first is cost-leadership, aiming at sustaining the lowest costs in the industry; the second is differentiation, creating specific unique product features which are attractive to a group of customers, with the aim of building customer loyalty; and the third is focussing, satisfying the needs in a specific market segment through low costs or product differentiation. In order to reach its long-term goals, a business defines its strategic actions based upon these general strategies.

The participation of employees is often addressed in theory as something active and motivating, resulting in them having an influence on the course of the company and welcomed by the top of the organization and the management layer. Beautiful words are composed around this concept, like the following: "The process [of strategy creation: the strategic dialogue] is characterized by the intensive participation of the employees of the organization. It does not play out in the ivory tower of management, but in a dialogue between the management and all layers of the organization and with the commitment of line management as well as bureaucratic staff. This means that the management must be prepared to be vulnerable and they must also take the input of the participants very seriously" [FB]<sup>20</sup> (Pietersma et al., 2002: 12).

In my experience, the strategic management process, from the formulation of the mission to the development of the long-term goals and business strategy, is mainly a

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<sup>20</sup> "Het proces [van strategievorming: de strategische dialoog] kenmerkt zich door een grote mate van participatie van de medewerkers van de onderneming. Het speelt zich niet af in de ivoren managementtoren, maar in een dialoog tussen het management en allerlei lagen van de organisatie en met betrokkenheid van zowel lijnmanagement als staffunctionarissen. Dit betekent wel dat het management bereid moet zijn zich kwetsbaar op te stellen en de inbreng van de participanten ook daadwerkelijk serieus moet nemen."

responsibility for (upper) management, in which lower management and supporting staff employees play a minor participatory role. The development on a functional level is usually delegated to operational management or higher personnel. The lower level staff, the majority of the company's personnel, usually plays no role at all, except to carry out what has been devised for them. "Managers are still viewed as the only organizational actors with legitimate access to the strategy process, a form of discursive closure that trivializes the politics of strategic management" (Levy et al., 2003: 96).

In my practice as a manager, I have seen some form of participation by the lower level workforce in a large organizational change process. This was organized in such a way that review groups were given the opportunity to criticize the change proposals made by management and (external) supporting staff. Although this can be called participation, it actually ignores some very essential organizational psychological elements, such as the hierarchical power relationship between supervisors and subordinates, the threatening effect of a change process upon the employee's identity, and the haphazard situation, from the point of view of the employee, in which the participation takes place (Grey, 2002: 15; 18; Vansina, 1998: 271).

In conclusion, participation is addressed in the strategic management process, but it can effectively be considered as a form of manipulation by the (change) management in persuading personnel to accept changes in the direction of the companies' goals. In organizational theory, this process is addressed with coaching-style leadership and teamwork, in practice aimed at increasing personal involvement in the organization's endeavours (Sennett, 1999: 114-116).

#### **2.4.5 Short-term goals**

Short-term goals contribute to the success of a strategy by splitting up the long-term objectives into a series of short-term ones, thereby making the process more manageable, helping to detect conflicts and aiding the measurement of results. They are a management instrument that helps make the company objectives realizable, understandable and easier to communicate to staff. Short-term goals are an important element in managing the division of labour according to the direction of the company strategy. The level of short-term goals is low enough to link functional activities to them and instruct or direct employees accordingly, and also use measurement instruments to check aspects such as profitability and productivity. This information is aggregated and passed to upper management to give insight into the development of the organizational process. Management control is most powerful at this level of the strategic management process, becoming more and more Taylorian. The movements of the individual workers must be planned meticulously in order to reach the short-term goals. The result is the development of functional tactics to define activities, policy to guide them and control mechanisms to improve them.

### 2.4.6 Functional tactics, policy and control mechanisms

Functional tactics are the key activities in the organization generating the products or services of the company in order to reach the business objectives. This is the work floor process; if the staff here are seeking self-fulfilment, they must be very adaptive and creative to do so within the functional tactics. However in most companies, in my experience, employee activities are, just as in the Taylorian manner, meticulously described in advance and planned and controlled throughout their duration (Braverman, 1998: 86). Creativity is undesirable, except in small, special groups where innovation is forced by means of a time boxing approach. Normally, the employee is ordered to work as efficiently as possible according to the functional descriptions. If some freedom is possible or necessary, my experience as a manager has shown that this too is prescribed in detail by company policy.

According to management literature (e.g. Pearce and Robinson (2003)), policy makes it possible to empower employees in the decision-making process and in the execution of their activities, and in time to ensure that the decisions made are in line with the mission, strategy and functional tactics. This assumes that there is some freedom for the employees to express their creativity, to act in the way they think is right, but it is difficult to see how this can be possible when the mission, strategy and functional tactics are established from the top down. Even the policy, supposedly in place to give staff the opportunity to think for themselves (one of the conditions for self-fulfilment), is prescribed by upper management and therefore can be considered to be a constraint. Given the prescriptions of the functional tactics on the one hand, and the constraints of the policy on the other, it is impossible to really empower the staff; the notion of empowerment in this context is a farce, a sop, almost a cheat.

Ezzamel et al. (1994: 457) write that the empowerment of employees is only welcomed by the management of organizations so long as the outcomes are in line with their objectives. This organizational practice is discussed by, among others, Coenen (2004: 14), who refers to management deceit and manipulation. The issue is addressed in a subtler, less confronting way by Bauman (2008: 128) and van der Ven (2008: 29), who point out the falseness of the form of empowerment which dictates that employees are expected "to devote themselves unreservedly to goals that have been determined by others" (Knights and Willmott, 2000: 11, quoted in van der Ven (2008: 29)<sup>21</sup>). Ten Bos (1998: 55-71) describes empowerment as being an enabler of new forms of control and therefore hypocritical. Writers critical of organizations regard the use of empowerment in the strategic management process as a form of managerial manipulation. In my opinion, the purpose of the prescriptions and restrictions is to take advantage of human creativity in aiming at the company goals, while avoiding the pitfalls.

<sup>21</sup> Van der Ven refers to this quote from Knights and Willmott in Scarbrough (2002: 179).

Creativity is an important human competency, an inalienable part of being a human being, and it can be expressed in both uncontrolled and controlled ways. Uncontrolled creativity, which is not steered or restricted, produces both applicable and numerous inapplicable results. The control of creativity occurs when an external institution, such as an educational institution, a detention institution or an organization tries to restrict this process by framing and directing it. One could call this civilization, punishment or in the case of organizations, empowerment. The more access human beings have to living in a state of uncontrolled creativity, the greater their well-being, and the more their creativity is controlled, the greater their frustration, as this control is an obstacle in their search for self-fulfilment.

As is shown, functional tactics and policy are part of the business strategy, which is based on a set of assumptions and designed to be realized over a period of years. Because of the changeability and unpredictability of the environment, no strategy is sustainable. Proactive, timely and continuous improvement of the strategy is a way to deal with the changes.

According to McGee and Prusak (1996: 32), instruments and systems must be created which continuously and methodically measure everything the organization accomplishes in the competitive environment, with feedback loops from the operational level to the top level of the hierarchy, enabling the top level to improve the strategies. This process is often performed at the different organizational levels: strategic, tactical and operational. A strategic control mechanism occupies itself with following the strategy, detecting problems or changes in the underlying assumptions and executing the necessary adjustments. Control mechanisms at the strategic level are concerned with a range of five years, and it is difficult at this level to assess and define specific corrective actions. Therefore, tactical and operational control mechanisms are used which are aimed at the short-term goals for the basic functionalities of an organization, mostly over a period of up to a year. There is much more detailed and specific information generated at this level, and actions can be undertaken for the support of the business strategy. These actions are spiral in nature, and consist of setting standards for (improved) performance, measuring the actual performance, identifying deviations from the standards that are set, and initiating the corrective actions necessary to meet the (improved) standards (Pearce and Robinson, 2003: 323-324). Because of the ever-changing environment and continual demands for higher performance, these actions are ongoing. This model, where the performance of all functions, tasks and responsibilities is managed at the tactical/operational level, translating into effects at the strategic level, and aimed at continuous improvement, is known in the organizational literature as total quality management (TQM).<sup>22</sup> This management

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<sup>22</sup> Total Quality Management, a management concept aimed at continuous improvement of company performance and increased customer satisfaction.

philosophy is regarded by theorists as the ‘silver bullet’ for the success of organizations, and is a philosophy whereby internal and external concerns are integrated into a continuous improvement programme with a long-term perspective. It is crucial for management to set an example in the behaviour required to make integral quality management a success, therefore, TQM must always be implemented top-down. This means that TQM must be consistently defined in a concrete and univocal way in the total strategic management process. To make it work, empowered employees with clear responsibilities in the area of quality provide feedback in order to form so-called ‘quality circles’. The intended benefit of this quality process is the improvement of the company result and the appreciation of staff, management and society. Hardjono and Hes (1994: 36) compare TQM with circles, standing for the perfect form, closed and everlasting. Management often expects immediate organizational change and an increase in performance and competitive advantage after implementing instruments such as TQM. The complexity of the implementation and the uniqueness of each organization is likely to render this expectation futile (Grey, 2002: 8). In my experience TQM is very difficult to implement in practice, and once implemented, costs a lot of energy to maintain. Management nevertheless applies these instruments in their drive to increase business performance by ensuring the commitment and self-discipline of the employees (O’Doherty and Willmott, 2001b: 12-122).

Management techniques like TQM, JIT,<sup>23</sup> ZD,<sup>24</sup> Kaizen<sup>25</sup> and JPM,<sup>26</sup> adopted from the Japanese industry, aim at satisfying company goals through disciplining employees, often by the application of intensive team cooperation. The essence of this team concept is to create loyal employees who wish to sacrifice themselves in the drive for the best product, profit, etcetera, for the company. These management styles have resulted in the well-known phenomenon of *Karoshi* (death from overwork) in Japan. As a result, often new production methods will emerge in which “the worker resembles a mouse running helplessly in a rotating wheel in order to avoid electric shock, rather than a working human” (Nishiyama and Johnson, 1997: 8). The real danger is that techniques like those in JPM work like a kind of ‘Trojan horse’ in the work organization, so recognizing the relationship between the techniques and the negative influences on the workers is difficult. This is one of the reasons why these situations can endure for so long without any reaction whatsoever.

<sup>23</sup> The Just-In-Time system, originally an inventory strategy that improves the return on investment by optimizing the inventory to the minimum in the logistic process. An example of the Japanese search for business advantage using a systemized lean business approach.

<sup>24</sup> Zero Defects, a quality control methodology, used for the constant improvement of company productivity and performance.

<sup>25</sup> A JPM method focussed on continuous improvement by the elimination of waste. Kaizen is strongly related to Frederick Winslow Taylor’s scientific management.

<sup>26</sup> Japanese Production Management, an umbrella designation for the range of mainly Japanese lean manufacturing methods, such as Kaizen, JIT and 5S.

In considering control mechanisms, we see once again the contradiction between the top-down 'wishful thinking' and detailed prescription, and the claim for increasing the commitment of empowered employees. Managers are acquainted with the emotional, impulsive and uncontrollable behaviour of human beings in their drive for self-fulfilment, and they must search for and develop methods in order to achieve the organizational objectives in spite of these characteristics. Management is aimed at the exclusion of unpredictability (ten Bos, 2003: 36), so control mechanisms are implemented to make the processes more transparent and to provide for constant improvement. Employees may experience this "formidable machinery of contemporary surveillance, one which deploys all kind of technologies" (Gabriel, 2003: 176), as threatening or suppressing. The information gathered from these control mechanisms often informs decisions leading to organizational change, such as reorganization, reengineering and outsourcing.

#### **2.4.7 Structure, culture and leadership**

In order for the work of organizations to proceed in an efficient and effective way and to allow the strategy to work in the intended manner, the basic instruments – structure, leadership, culture, and payment – must be constantly evaluated and perhaps altered. According to standard organizational theory, the structure of the company and the way in which its different activities are organized are changing. Pearce and Robinson (2003: 278) emphasize the success factor in this change, namely the transformation of the organization from a structure with an internal focus, structured interaction, self-sufficiency, and a top-down approach to a structure with an external focus, flexible interaction, interdependency, and a bottom-up approach.

The theorists insist that leadership is necessary for successful adaptation to the constantly changing environment. Kotter (1996) explains that in order for organizations to survive in the turbulent 21<sup>st</sup> century, leadership is needed for effective change. He states that "leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles" (Kotter, 1996: 25). To substantiate this standpoint, Kotter (1996: 21) developed an eight stage change model for the development of leadership behaviour in organizations. The model gives instructions on how the leader can initiate, implement and continue change through a collaborative process. In theory the model appears simple and easy to execute, but it seems to be a lot more difficult in practice, and most organizational changes produce a lot of suffering (Pelzer, 2003; Osthus, 2007) and end up failing (Grey, 2002: 9-10).

Perhaps the reason for this lies in the fact that real leadership is not possible, or at best, extremely rare, and that most organizational changes are performed by managers acting like leaders (in organization theory, this management discipline is known as change management). Kotter states that, in comparison with leadership, management concerns concrete activities like "planning, budgeting, organizing, staffing,



controlling and problem solving” (Kotter, 1996: 25). He believes that successful organizational transformations concern “70 to 90 percent leadership and only 10 to 30 percent management” (Kotter, 1996: 26). According to contemporary management theory, modern organizations are expected to change constantly to adapt to an environment that itself changes increasingly rapidly (Grey (2002) calls this “The Fetish of Change”). The contemporary management mantra reads: ‘the only certainty is constant change’ and my own experience shows me that this is no understatement. Assuming that change can be regarded as manageable at all (Grey, 2002: 10), either organizations need a lot of leaders, or most managers need a lot of leadership skills. In order for the first option to work, there must be a lot of leaders in the world, which evidently is not the case, and for the latter to work, it has to be easy to develop leadership skills. And the question is: is it? If leadership skills are easy to develop, they cannot be considered a special gift possessed by special people, and must instead be trivial. But, if leadership is trivial, why have management and leadership gurus been trying to convince us of its rareness and mystical features for decades? Commerce is the most likely reason. Leadership sells, and as long as the mythical aura of leadership can be preserved, it will continue to sell. The gurus tell us that both leadership and management are necessary, but they all state that leadership is by far the greatest factor in successful organizational change.

Mintzberg, one of the most successful brokers of leadership myth, likes to psychologize the issue, making it elusive. He writes: “Really eminent managers [leaders] are undoubtedly the ones who can connect effective processes of the right hemisphere (presentiments, intuition, synthesis) to effective processes of the left hemisphere (expression, logic, analysis)” [FB]<sup>27</sup> (Mintzberg, 2002: 62). As well as Mintzberg, other gurus like Covey (2002: 112-117) make analogous statements, considering the leader as some sort of ‘Übermensch’, who can control his/her hemispheres in a subtle and conscious way directed at the specific elements needed for the organization to become successful in an ever-changing environment, now and in the future. According to contemporary organizational literature, a modern leader should share these elements with his/her staff, with the keywords being communication, empowerment and setting examples. This desirable leadership conduct must be apparent at all management layers, acting on the organization’s success like a “magic spell” (Grey, 2002: 17). One wonders whether all of these competencies can be combined in one person. Even if a person possesses only a few of these leadership competences s/he is likely to be regarded as a higher being. This observation is underscored by the fact that a very large part of the contemporary leadership library incorporates a distinctly religious flavour. Even the reference by gurus to a certain number of leadership qualities indicates a

<sup>27</sup> “Werkelijk uitstekende managers zijn ongetwijfeld degenen die effectieve processen van de rechterhersen helft (voorgevoelens, intuïtie, synthese) kunnen koppelen aan effectieve processen van de linkerhemisfeer (verwoording, logica, analyse).”

religious connection. The number seven in particular, which represents perfection in Christianity, is prominently used (e.g. Covey, 2002; Van de Kerkhof, 2005), and religious terminology is used to substantiate the divinity of their message (e.g. Van Praag, 1997; Van de Kerkhof and Starren, 1999). This suits strategic management perfectly because of the human urge for direction that leads people “to submit to a strong leader who is supposed to know what is best for the group, who plans and orders [manager] and who promises to everyone that by following him he acts in the best interest of all [leader]” (Fromm, 1968: 65).

In conclusion, to accomplish the company goals and to utilize the drive of the employee in this endeavour, the leader is imputed all kinds of almost supernatural qualities in organizational and management theory. In practice, the human being who is at the top of the organizational pyramid is assumed to have these supernatural qualities transcending those of his/her subordinates, by which s/he ‘can predict the future and is to be fully trusted, to be followed blindly’. “He is supposed to be omnipotent, omniscient, sacred”, as Erich Fromm (1968: 65) puts it. Taking the above into consideration, it can be said that leadership is a very rare phenomenon, which, if it exists, cannot be learned, but is instead some innate set of qualities.

Researchers Newton (2006) and Korten (2003), among many others, reveal the shocking results of the actions of the ‘leaders’ often quoted by the leadership gurus. A Machiavellian approach to leadership, built on power (Machiavelli, 2008: 42), fear (Machiavelli, 2008: 59), a little luck and their subordinates’ natural inclination towards servility (Machiavelli, 2008: 19), still persists as the main practice. Outsourcing also has its place in this approach. Building on the anxiety of human beings concerning the powerful figures in the organization who are capable of giving and taking in relation to employees’ personal desires (Turnbull et al., 2005: 304), leaders can anticipate the obedience of the employees. The question arises as to why employees accept this phenomenon and accordingly, act obediently within the hierarchy. The answer may lie in the persistence over millennia of the doctrine that one or a few – the exceptional, divine, fierce, brave, wise, etcetera – can reign over the many. Plato’s philosopher king, naturally has all the power, because he is the wisest. According to Plato, wisdom was scarce and a characteristic of only rulers and leaders (Plato, 2000: 428E-429A, 155-156). Later, the Christian family-based system of obedience, of “*subiectio and superioritas*” (Marcuse, 2008: 23) was the prevalent ideal. These examples teach us about the impossibility of ultimate leadership; the old leaders are mythical, religion gives us gods, prophets or saints as examples, and the philosopher king of Plato appeals to the idea of the wise. Employees believe that ‘leaders’ know more because they are closer to the ‘idea’ of wisdom. Organizations foster this valuable indoctrinated authority in the person of the leader, “more and more a planned authority, which is artificially generated and maintained” (Marcuse, 2008: 30), or in other words, the hierarchy.

Culture, as the shared set of values creating the individual behaviour, norms and the harmony of the organization, is an intangible phenomenon which is always present and supplies the reasons, direction and foundation for actions. Without culture there can be no organizational change. Culture is the mutual, reciprocal, transcendent relationship between people, and can even be called a form of love (Levinas, 1998: 187). From this stability, this certainty, this group-forming 'glue', employees find the courage to change. This implies that culture is of ultimate importance to the employee in his/her organizational survival. But, in contemporary organizations, culture is also a powerful instrument for management. A strong culture has a positive influence on employee motivation and commitment, it "chimes gratifyingly with the espoused mission of managers to raise corporate performance" (Willmott, 2003: 76). In this case "it [culture] is smoothly integrated into the economical principle of this society" (Marcuse, 2009: 96).

Compensation rewards employees for taking the desired actions and encourages the alignment of employee priorities with the company objectives. Although the aspect of compensation in organizations is complex and differentiated,<sup>28</sup> in this context I want to focus on two major forms of payment which are common in contemporary organizations: fixed payments dependent on the seniority of the employee, and flexible, performance-based rewards. Although the first seems less just in terms of the employees, an argument often used by employers, it is the most respectable, socially minded and solidary of the two. In the latter payment structure, the employees are trained to perform in the direction of the organizational goals by means of timely and direct incentives. Employers tend to prefer the latter reward structure, unsurprisingly, because it appeals the most to the Taylorian way of management, which is still dominant in some of its rationalistic aspects (Braverman, 1998: 60).

All the abovementioned aspects of the strategic management process are permeated with the company objectives to substantiate its effectiveness. This is almost a mechanical process by which the top levels of the organization can control the 'machine' down to the smallest details. Given the transparency of the evidence for this clear, mechanical manipulation, which is based on command, results in conformity and obedience, and is represented as 'commitment' by organizational theory (Höpfl, 2005: 178), it is surprising that it is accepted by everyone affected by it.

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<sup>28</sup> The subject is extensively treated in most prevailing human resource management theory such as Jackson and Schuler (2003: 400-451).

## 2.5 The effect of ICT on strategic management

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As we have seen, the strategic management process is a bureaucracy put in place to steer activities in a coherent way so as to reach the company objectives. To accomplish this, the staff must obediently perform their tasks. Organizational advisory committees, work councils, co-creation and management techniques such as staff empowerment, self-steering teams, total quality management, etcetera, often incorrectly performed, partly implemented and amassed (Munro, 2001: 401), are all practices employed to make the staff believe that their opinions matter. This is ultimately a distraction cycle to mask the real goals of the upper management and shareholders, namely 'more' (power, benefits, efficiency, continuity, market share, etcetera), "the automatism of the pursuit of profit" [FB]<sup>29</sup> (Badiou, 2006: 21).

What is the influence of ICT on this process, if we look at it from an organizational and social psychological angle? Erich Fromm, among others, saw the increasing influence of technology, including computers and thereby ICT, on the well-being of human beings. As he stated, this influence is not aimed towards a positive development for human kind. The following quote conveys his seriousness about this: "A specter is stalking in our midst whom only a few see with clarity. It is not the old ghost of communism or fascism. It is a new specter: a completely mechanized society, devoted to maximum material output and consumption, directed by computers; and in this social process, man himself is being transformed into a part of the total machine, well fed and entertained, yet passive, unalive, and with little feeling" (Fromm, 1968: 1).

As early as the 1960s, Fromm pointed out that the use of computers in realizing business objectives was a threat to society in general, and to employees in particular. He was very concerned about this and connected the developments in this area to the predictions of George Orwell, in '1984', and Aldous Huxley in 'Brave New World'. He regarded the effect on society of technology like ICT as being out of control. Much like the wizard's apprentice in Goethe's 'Der Zauberlehrling' uses magic to make his work lighter, automation is now being used. In Goethe's poem this gets completely out of hand: "Ach, ich merk' es! Wehe! Wehe! Hab' ich doch das Wort vergessen!" (Goethe: 41-42). Belief in the power of automation is of the same order, because of its magic and because of the fact that only a few 'wizard apprentices' really understand it. In my opinion, this magic arises from the fact that ICT is so interwoven in society, at one and the same time having a huge influence while being almost imperceptible. According to Hayles (2005) this has far-reaching implications; she sees an inextricable intertwinement of ICT as a generative cultural dynamic, which leads to a reciprocal influence that nobody can escape. Hayles compares this with some kind of 'body snatcher' effect – we will "anthropomorphize the virtual creatures while they computationalize

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<sup>29</sup> "De automatismen van het winstbejag".

us” (Hayles, 2005: 193-194). This scary process, which Fromm (1968) also described, is strongly connected to the modern capitalist paradigm, and entrepreneurs have seen the potential of it for achieving their primary purposes. The result is that ICT professionals are imperceptible but essential actors in the strategic management process. On the one hand, they are applying ICT for the purpose of reaching company goals and on the other hand they are being influenced by ICT, adapting to it and living according to its requirements. It seduces them by its mystique, its magic and its power, until it possesses them without them knowing it, becoming so pervasive that it becomes part of them.

ICT is a profession that makes extensive use of intermediaries and modelling. An intermediary in this context is a buffer, an obstacle in communicating with the real, and a model is a simple and thereby distorted representation of the real. “It abstracts from the totality of things and events which it reduces in order to survey and master them” (Kallinikos, 1995: 118).

Those at the top of an organization see opportunities to steer the organization in the direction of ‘more’, and they point these out to business analysts, who immediately start modelling in order to master reality, thereby distancing themselves from it. In reaction, developers make their own representations of the real world by further modelling, programmers use these models to make new ones and then use these to communicate, using high or low level artificial technological languages, with computers that manipulate electrons, according to the programmers’ instructions. According to Kallinikos (1995), this formal and calculative (scientific) way of working alienates the ICT profession from the mundane world, resulting in the oppression of any other mode of involvement. For management, this representation or reconstruction of the world is of course a forceful instrument of mastery and manipulation, although they take it for granted and ignore the explicit importance of it in wielding their power. Although management is unaware of the way in which the use of ICT in the strategic management process increases its manipulative power due to its similarity with representation (Kallinikos, 1995: 124), it fits in naturally and is used by management in an implicit way to reach the company’s goals. This is the reason that everything the computer can do, it must do, and it is considered an improvement. Fromm (1968) talks about the two principles of the technological society, or as he calls it, a technotronic society (a contraction of technological and electronical). These principles are that “something *ought* to be done because it is technically *possible* to do it” (Fromm, 1968: 33), and that of “*maximal efficiency and output*” (Fromm, 1968: 34). The latter principle in particular overlaps the strategic management process. These principles substantiate the situation concerning ICT: It is ICT that is apparently in the lead, and companies cannot do without it; they are dependent on ICT as a success factor in their search for a competitive advantage. Upper management is convinced of the utility of ICT in the search for a competitive advantage, hoping to

increase value for the shareholders and thereby their own continuity and income. This is not new – the utilization of scientific development in the hunt for personal advantage has long been a feature of human endeavour. “All of the history of civilization shows only the paths men have taken to bind their unsatisfied wishes under the varying conditions of fulfillment and denial by reality, which are changed by technical progress” (Habermas, 2002: 276). This human confusion and uncertainty, and the longing for certainty and high status and income, have resulted in the dependency of businesses on the use of ICT.

From another angle, this dependency also has an impact upon the ICT staff in organizations. As well as being consumers and labourers, they also are professionally committed to ICT. This situation is rapidly intensifying with the increasing dependency on ICT shown by contemporary organizations. This is not so strange when considering ICT as a tool and a means of reaching goals, a phenomenon indissolubly connected with the development of the human species. Along with language, the development and use of tools is something that makes us who we are and something that distinguishes us from other beings.

Companies are still blind to the consequences of the dependency on ICT and continue to intensify it. In the literature regarding the use of ICT by companies for reaching business goals, the dependency is foreseen and made explicit. ICT is becoming more and more a strategic condition for companies to realize their company goals. This is substantiated by the arguments found in the literature (Van der Poel, 1995: 36-37), which in time have become even stronger: (1) information processes are for many organizations, either explicitly or implicitly, a very important part of their activities and often crucial to their operation; (2) information technology is the key to bold new corporate strategies and because it is constantly developing, it has to be controlled carefully and steered to best advantage. According to the strategic model of Pietersma et al. (2002: 150), ICT and company strategy are interwoven and functionally integrated in contemporary organizations. These theoretical statements would make it seem almost inevitable that (top) management would be interested in ICT, and that it would research ICT and give it an explicit, major role in internal company processes. On the contrary, however, in contemporary organizational practice, the strategic position of ICT in the value chain is often underestimated. The subordinate position of ICT stems from the wrongly-held attitude that technology is just a means for making processes more efficient, and can only marginally contribute to the effectiveness of the organization and thereby to strategic aspects. A real problem in this issue is that, although the investments made in ICT are clear, the company revenues arising from these investments are very difficult to make explicit. Much of the time, the revenues are future projections or are a result of the increased efficiency, effectiveness or quality of other business processes.

Another previously mentioned aspect is the fact that most management, especially at the top of the organization, is not acquainted with the complexity of ICT. A lack of interest in and commitment to understanding ICT means that they are often ill-informed about one of the most important and most costly processes in their business. The ignorance of management regarding the important role played by ICT in reaching the company goals results in them not accepting the need for investment in this area.

This seems strange given the wealth of theory connecting ICT directly to the value chain and determining its future. According to theorists, ICT has evolved into a business function, like finance, human resources, production, etcetera (Delen, 2000: 14), or a production factor like land, money, personnel and machines (Spanninga and Reterink, 2002: 24). Earl (1995) emphasizes the strategic power of ICT and is convinced that it can be seen at least in four different ways as a strategic management weapon (1995: 10). Earl (1995: 66) also outlines four possibilities for utilizing ICT in a strategic way in the value chain of the company, thus providing for a better market position (Khosrowpour et al., 1996: 87). In this context, however, Earl (1995: 88-89) also states firmly that the organization's knowledge and capacities concerning the utilization of ICT and the management of information are of strategic importance in gaining these positive outcomes. Without them, the outcome can be quite the opposite.

In conclusion, ICT can be a strong catalyst for those at the top of the organization to prove their competence in satisfying the shareholders' urge for 'more, better, faster, and cheaper'. However, it can also be the proof of their incompetence.

Another role, the impact of which is often ignored, or at least underestimated, is the real-time information that ICT can deliver about the performance of the organization and the staff, and thereby the possibilities for monitoring, fine-tuning and correcting every activity carried out by individual staff members. As previously discussed, it is likely that the majority of the managers in contemporary organizations still don't understand ICT and don't want to. As a result they are still ignorant about their dependency on and the importance of ICT concerning the realization of company aims.

For the ICT staff, ICT is both a threat and an opportunity. The threat is that they and their skills and competencies can rapidly become obsolete if they don't keep up with the impact and speed of technological evolution. Alongside all the good things of technological coming out of progress, ICT also turns out to be a fettering instrumentalization process (Marcuse, 1991: 159). Because of their special(ized) position in it, the challenge for ICT staff is to avoid becoming fettered and to stay ahead. As an opportunity, there is also the possibility for someone to become an expert in ICT. This can lead to an increase in job security, power and salary through the increased dependency of the company on its ICT staff. However, this aspect also makes ICT a critical and costly business component and therefore constantly under evaluation by upper

management. In the drive for optimizing costs and maximizing profits, ICT becomes vulnerable to outsourcing.

From the foregoing, one can conclude that management might be inclined to make short-sighted decisions. Coenen (2004: 114) attributes this to narcissism, but I don't agree. From the previous research I dare say that it is simply the despondent behaviour of ordinary human beings, dealing with complex cases in an uncertain world. The people surrounding them expect their wisdom in choices concerning the continuity of the company and impute all kind of extraordinary qualities to them, which the majority don't have, to make the right decisions. Theorists with their simple models (Levy et al., 2003: 100) 'tell' them that because they are professionals, they must be able to make the right decisions concerning ICT, turning it into the performance and profit-increasing, cost-decreasing tool it promises to be. Furthermore, the advice market is eager to 'guide' the contemporary manager in the decision-making process concerning ICT outsourcing. Van der Zee (2001: 11), for instance, presents the idea that, given the strategic character of sourcing, this ought to be a rational and well-considered process which must be considered from a multitude of angles, aiming at the positive application of market possibilities in order to achieve company goals. Management is expected to be able to make the right choices for success. In practice, however, management yields to tactical outsourcing in the short term. Most outsourcing decisions are still made on tactical grounds (in this context, another term for rash decisions), so that the problems of incomprehension, uncontrollability and high costs will be resolved in the short term. With this behaviour, management ignores the fact that the ICT professional is the bearer of the ICT products, and sees instead an 'economic resource'. Furthermore, one can also recognize the reifying influence of technology in the outsourcing of ICT: "technology has become the great vehicle of reification – *reification* in its most mature and effective form" (Marcuse, 1991: 168-169).

## 2.6 ICT outsourcing

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To fully understand the implications of organizational ICT outsourcing in the scope of this research, it is necessary to discuss the related theory. In the following section, some theoretical standpoints are highlighted, and outsourcing is placed in its historical context.

The phenomenon of ICT outsourcing emerged following the introduction of the first electronic machines in the 1950s. Although computers were becoming more prevalent in science and the military, it was only in the 1960s and 1970s that traditional service bureaus in the administrative sector discovered the advantages of using computers for data processing. The market then answered with the introduction of computer service bureaus which offered data processing capacity to external custom-



ers for a fee (Hoogeveen, 1976: 10). Customers of these service bureaus could decrease their costs by the collaborative use of the expensive hard- and software.

From the 1970s onward, technological development saw the introduction of a new generation computers with increased capacity and processing speed and a better price/performance ratio (Szabó and Négyesi, 2005: 70-71), increasing the possibility for companies to possess their own computers. Computer departments and centres emerged from a growing need for more information and flexibility. Together with organizational and/or cost considerations, this became the basis for facilities management, third parties managing an 'in-house' ICT department and/or computer centre (Hoogeveen, 1990: 15).

The 1980s saw increasingly rapid changes in the competitive environment, and the development of information processing became more and more essential for survival. Companies assessed their value chain to determine the activities necessary for building and sustaining a competitive advantage, and directed themselves towards developing their core competencies. Increasingly, they concluded that ICT activities could not be counted among the core activities and could not be performed by the organizations' own employees for 'acceptable' costs. The claims by external providers that they could offer a set of services for a lower cost and with greater stability did not fall on deaf ears. "Since the late 1980s, the trend towards outsourcing of information systems has continued unabated" (Ho, et al., 2003: 66). From the 1990s onward, ICT outsourcing became a common organizational strategy (Khosrowpour et al., 1996: 85).

Outsourcing belongs to the umbrella concept of sourcing. There are many definitions of sourcing, and in this document the following is used: "Sourcing refers to the question of 'which resources to use to fulfil the need for value creating capabilities'" (Geurts and van der Zee, 2001: 11). As well as outsourcing, there are other kinds of sourcing such as: insourcing, the transfer of a specialized function or process to an in-house solution provider under the management and control of the firm; co-sourcing, where the outsourcing company's competencies and talents are actively involved in the delivery of the solution; and back-sourcing, taking back the previously outsourced processes or activities.<sup>30</sup>

Many of the definitions of outsourcing to be found in the literature are completely overlooking the concerns of the human beings involved in the outsourcing process (e.g. Lacity, 1993: 2; Lonsdale and Cox, 1998: 1). In these definitions, the human being is not even mentioned, seemingly considered unimportant, or, as in the case of Lonsdale and Cox, reckoned as part of the organizational assets. Luckily, other definitions exist which at least mention the existence of human beings in the outsourcing

<sup>30</sup> These definitions of co-sourcing, insourcing, and back-sourcing are based on the overview given by Croon et al. (2001) in *The BPO Card: The Decision Tool on Strategic Sourcing Decisions* (in Geurts and van der Zee, 2001: 11-12).

process, like the definition by Due (1992) (mentioned in Khosrowpour et al., 1996: 85) that refers to the transfer of the systems personnel. The definition in contemporary sourcing theory, which is the most explicit and complete in my opinion, is the one by Thomas Kern (mentioned in Geurts and van der Zee, 2001: 11): “The decision taken by an organization to contract out or sell the organization’s assets, people, processes and/or activities to a third-party supplier, which in exchange provides and manages assets and services for monetary returns over an agreed time period”. However, although Kern mentions the word ‘people’, which humanizes the ICT professionals much more than the term ‘personnel’, they are still regarded as equivalent to the rest of the organizational assets. In my opinion this indicates that in the theoretical literature, the people involved in the outsourcing process are undervalued, while they should in fact be emphasized. The latter definition explicitly includes the fact that a strategic choice is made by managers to transfer the in-house execution of a business activity to an external party, thus addressing the responsibility of managers in the outsourcing decision-making process and connecting it to the organization’s strategic management process.

According to the abovementioned definitions, the outsourcing party aims to rid itself of something, mostly the yoke of incompetently managed or badly performing processes, such as ICT, and acquires a relationship with one or more third (commercial) parties. To make this situation workable, most companies implicitly or explicitly start a formal cooperation, structured in line with the company goals. According to Da Rold et al. (2002: 25-27), there are roughly eight accepted strategic sourcing relationship models between the customer organization and the service market. The eight models they describe range from full outsourcing to full insourcing, and needless to say, range also from high to low levels of threat respectively for the in-house ICT staff.

Where human beings are involved, strategic choices are to be made and new alliances must be effectuated, all of which are threatening for the in-house ICT staff, it is clear that great care must be taken in considering outsourcing. It should be viewed from multiple angles before a decision is made. “Outsourcing is more than a simple purchase decision based upon economic or financial criteria. It is a strategic decision that encompasses the transfer of service delivery of selected activities to a third party and the establishment of a long-term relationship that can create new sources of value for an organisation” (CICA ITAC, 2003: 2). This statement explicitly claims a connection to the strategic management process and thereby to the top of the organization. As we have seen, the top of the organization is focussed on achieving a competitive advantage, and uses employees as a means to further that aim. This is stressing the fact that management has adopted outsourcing more or less as a normal labour utilization strategy (Athinson, 1998: 4 in Kessler et al., 1999: 5), in their drive towards reaching the company goals. As a competitive strategy, an organization can choose to outsource all or only some of its ICT services. Decision-making with regard to this must be performed in a very well-grounded way.

In this document we follow the proposition, also mentioned by Gilley and Rasheed (2000: 765), that if there is no explicit management choice for whatever reason (e.g. lack of capital or expertise), the transaction is not considered outsourcing, but simply procurement. This substantiates the special features of outsourcing, namely the management responsibility and the explicit choice made to outsource (or not to do so).

Upper management, in their lack of knowledge and uncertainty, often search for advice, which is available in abundance in the booming market of organizational advice and management training bureaus. Within less than half a century, these companies have been able to convince management that their assistance is needed for every organizational change, thereby ensuring themselves a huge amount of power and revenue. These ‘advisors’, knowing that outsourcing can constitute an enormous organizational change, and correspondingly generate a large cash flow for them, are always involved somewhere in this process in contemporary organizations. Coenen (2004: 140) protests their influence on the outsourcing decision-making process and the effects on the in-house ICT staff as follows: “Under the pretext of ‘back to core business’, after an examination of the organization (money), the advice is given [by external advisors] to outsource. This requires a redesign of the processes (money) and training of the remaining personnel (money). Then there arises a need for the executive and management services that are no longer present in the company. This leads to staff secondment (money) and interim management (money).” [FB]<sup>31</sup> So what seems at first to be a strategic decision made in the strategic management process, is often in the end not even a management decision at all, but a manipulation from within the capitalist paradigm, the commercial market.

In the following part of this chapter ICT outsourcing will be examined. Strategic outsourcing will be described, including the advantages and disadvantages, how the related decision-making can be established, and which conditions must be in place (including the accompanying existing models), for the management and control of outsourcing.

### 2.6.1 Tendency towards strategic outsourcing

Because of the increasingly strategic position of ICT in the business, companies have been forced to consider ICT outsourcing more strategically, based on so-called partnerships. According to Rothery and Robertson (1995: 8), outsourcing alone is based simply on reaching service levels, while ‘partnerships’ are also based on aspects such as cultural ‘fit’, getting on very well together, and a common goal with shared revenues and risks.

<sup>31</sup> “Onder de noemer terug naar de core business wordt na een doorlichting (kassa) van de organisatie geadviseerd tot outsourcing. Dit vraagt wel om een herontwerp van de processen (kassa) en training van het resterende personeel (kassa). Vervolgens ontstaat er behoefte aan uitvoerende en managementdiensten die niet (meer) in het bedrijf aanwezig zijn. Dit leidt tot detachering (kassa) en interim-management (kassa).”

During the 1980s and 1990s, ICT outsourcing was predominantly undertaken for reasons of cost reduction/management. Due to aspects such as the costs of the sourcing relationship, underestimated complexity in the outsourced business, the outsourcing relationship and the outsourcing process, the premise of cost reduction was often nullified. In many cases, outsourcing proved to be a disappointment and because of the reasons stated above the parties involved were unable to end the relationship or simply solve the problem, resulting in a drama leading to a great deal of damage, often for the outsourcing party (Konijn and ten Dam, 2002: 1). Levina and Ross (2003: 332) researched this situation and were able to illustrate that a very high percentage of outsourcing agreements still fail for financial reasons and because of faulty expectations in the decision-making process. This can cause companies to reconsider outsourcing and decide to rebuild their in-house ICT organization instead (Buxbaum (2002) and McDougall (2002) in Levina and Ross, 2003: 332). These examples illustrate the underestimation of the outsourcing process by management and the high level of 'wishful thinking' involved in their decision-making. It is evident that management responsible for making decisions about outsourcing is mainly concerned about the tactical (read: financial) advantages in the short term.

Writers in the field of outsourcing theory (e.g. Lonsdale and Cox, 1998: 89; Da Rold et al., 2002: 5; Da Rold, 2003: 1) state that there is a conscious, willing approach on the part of the management of organizations towards a more rational outsourcing process. They believe that management, armed with knowledge about the advantages and disadvantages of ICT outsourcing for the business, make sensible and substantiated choices. As previously mentioned, this is mere wishful thinking, but since this point of view is presented to management in the form of education on the subject, it is worth elaborating upon this particular aspect of strategic management.

Many writers have expected for years that contemporary organizations would be less willing to give away control over ICT. More and more they are promoting a development in which outsourcing moves up to strategic sourcing, whereby the chief information officer (CIO), in making sourcing decisions, focusses on what gives real added value to the total organization over the long term, rather than tactical outsourcing, which is mainly driven by a short-term desire to solve a practical problem (Chamberland, 2003: 1-2). Writers on the sourcing issue also state that business management increasingly makes business-driven sourcing decisions with a large effect on the ICT services. According to Buijs et al. (1996: 7), business management estimates the advantages of outsourcing on a greater scale than the ICT management, in particular: making ICT costs variable, making the internal ICT organization transparent, and getting access to better technologies. This prognosticated shift in the management of outsourcing to long term business management contrasts with the current, most prevalent short-term tactically-oriented process. Whereas in the latter, outsourcing was an ad hoc ICT management instrument, in strategic outsourcing it is

becoming a strategic management instrument. From the perspective of strategic management, in-house ICT staff do not have a rationale unless they provide a long-term competitive advantage. In the contemporary situation this is not yet the case; ICT staff still have more or less a right to exist within the organization. This prognosticated shift must therefore be a decrease in certainty for the in-house ICT staff, creating an increase in potential anxiety.

The ICT department is becoming an integrated part of the chain relationship with partners and suppliers. This has an effect on the definition of outsourcing – in the definition of strategic sourcing, the focus is more on the long-term relationship (Geurts and van der Zee, 2001: 12), and the amplifying effect on meeting the business goals (Da Rold et al., 2002: 5). For Lonsdale and Cox (1998: 89) this strategic feature of outsourcing is the most important and they integrate it into the company's overall strategic mission, linking ICT outsourcing to the top of the organization and making the ICT sourcing strategy one of the most important guides for management to deal with the complexity of ICT in reaching the company goals. The decision-making process concerning outsourcing may thus be considered an indissoluble part of the company's strategic management process.

### 2.6.2 The decision-making process

To come to a sourcing decision concerning ICT, it is important first to determine whether there is a need for outsourcing, and if so, what the specific inducement is for the decision to outsource the ICT function. Besides the short-term, tactical, cost-driven reasons, Everaert and Sarens (2003: 31) position the strategic reasons for outsourcing more towards the conditions necessary for the continuity of the organization. They identify the important accompanying risks involved with the loss of flexibility in control, decrease of quality and the increase of costs and dependency upon the whims of vendors. Although they also mention the negative social effects for the employees alongside the organizational disadvantages, the effects on the ICT staff of outsourcing decisions are heavily underestimated in the research on ICT outsourcing. The focus in the decision-making process is mainly from the perspective of the business advantages. The role of the ICT staff in the accompanying risks of outsourcing for the organization seems to play a larger role in this perspective. Theorists on this issue, such as Delen (2005) show evidence that outsourcing has a serious negative impact on ICT staff: "They actually get a new employer without asking for it... Transfer of personnel is always a sensitive matter and is therefore a critical control factor" [FB]<sup>32</sup> (Delen, 2005: 74). But this is mainly reduced to something trivial, disconnected from the human being's mental process: "The negative consequences exist

<sup>32</sup> "Zij krijgen namelijk een nieuwe werkgever zonder dat ze daarom gevraagd hebben... Overdracht van personeel ligt altijd gevoelig en is daarom een kritische controlfactor."

at most in the sphere of the terms of employment” [FB]<sup>33</sup> (Delen, 2005: 75). The common opinion is that it is a form of ignorance on behalf of ICT professionals – their unwillingness to comprehend the better career chances and education opportunities of outsourcing, their resistance to change and disappointingly slow acceptance of change (Delen, 2005: 75). Although it is clear that in the past decade outsourcing has affected a huge number of employees, this opinion persists among the organization and management researchers (Logan et al., 2004: 148). As a result, the management of organizations are being continually endorsed in their decisions, so the majority of outsourcing decisions are still being made from the business economic perspective.

In the above discussion of management processes relating to outsourcing, it is conspicuous that the theory mainly focusses on the economic aspects, even where human beings are explicitly mentioned. It can be argued that the writers of prevailing organization, management and outsourcing theory don’t know what to do with the human features of employees in relation to the organizational objectives, so they translate them into the well-known labour forces represented by working hours, and thus costs. As a result, the employee as a human being with feelings, anxieties and desires is effectively absent from the process.

### **2.6.3 Supporting methodologies for outsourcing decisions**

Many methodologies have been produced in order to support the management of organizations in making timely, complex outsourcing decisions in line with company strategy. Several examples are presented below to illustrate the quantity and focus of models in this area of organization, management and outsourcing theory. In my opinion, the multitude of outsourcing models arises from the sensitivity of management, as I see it in my practice, towards using models.

Regarding the making of decisions about what to outsource and what not, Insinga and Werle (2000: 61) have developed a methodology that assumes two factors: the potential for an activity to yield a competitive advantage, and the internal capability of the enterprise to perform an activity in comparison with that of its competitors. The core of this methodology is that the company has to outsource those business activities or functions which barely, or do not, contribute to competitive advantage. This decision is strengthened when the internal skills relating to the business activities or functions are weak in comparison to the market.

Rothery and Robertson (1995: 68) present a method to determine which activities are not eligible for outsourcing. They state that these are those activities which have to do with the primary functions of the company, which distinguish it from the competition, and which preserve the uniqueness of the company compared to the competition.

<sup>33</sup> “De negatieve gevolgen bevinden zich meestal in the sfeer van de arbeidsvoorwaarden.”

Essential to the models described above is the distinction between core and non-core competencies. There are further models available to support management in their search for this distinction. Quinn (1999: 12) defines core competencies as “intellectually-based service activities or systems – that the company performs better than any other enterprise” and says that a company should outsource all of the activities which do not match this description (seeking best practices), in order to increase competitive strength. The exceptions are those activities explicitly demanded by customers or necessary to preserve the core competencies.

To help management in the recognition of core competencies, Lonsdale and Cox (1998: 31-32) offer a methodology which consists of three tests. First, a core competence gives the company accessibility to a series of markets. Second, a core competence delivers a significant contribution to the advantages that the end user receives. Third, a core competence is resistant to imitation.

To link outsourcing decisions to the strategic use of ICT in the business process and to recognize that ICT services are increasingly tied up with the core competencies of the business, Lacity et al. (1995: 84-93) propose a theoretical model which consists of a large number of business-oriented questions which must be positively answered before outsourcing ICT functions (or not).

An example of a model for detecting the possible risks of outsourcing is the strategic decision model which Geurts and van der Zee (2001: 31) adopted from McFarlan & Nolan. In this model the current information dependency (high or low) is tested against the future value (high or low) of the information systems.

Given the quantity of material available to support management in the outsourcing business, it was no surprise to the business management environment that Da Rold made the following prediction: “An estimated assumption is that by 2007 more than 80 per cent of the sourcing decisions are made on the business level as a part of the business transformation or business process sourcing decisions” [FB]<sup>34</sup> (Da Rold, 2003: 1). Despite the efforts of theorists and researchers, in 2008 this seemed to be much too optimistic. If management can perceive anything useful among the jumble of instruments at all, they seem to use the tools to substantiate their tactical short-term decisions. Sourcing decisions are still made mainly on tactical grounds in order to lower ICT costs. In 2003 this was the case with 90 per cent of organizations and it is still an important reason for the majority of outsourcing deals, namely those of the more technical ICT functions, which lack the importance of accompanying business knowledge (Giarte and Morgan Chambers, 2008: 50-60).

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<sup>34</sup> “Een planningsaanname is dat tegen 2007 meer dan 80% van de sourcingsbesluiten gemaakt worden op het business niveau als deel van de business transformatie of business process sourcingsbesluiten.”

Somehow, the management of contemporary organizations cannot seem to make a shift in the decision-making process from a short-term focus based upon cost-cutting and profit-making, to a more long-term vision, let alone considering other values like responsibility for the human beings involved and their needs. Given the support organizations receive from researchers and writers on management and organizational issues, it is not surprising, because in most of the models, the focus on the employee is absent. The in-house ICT staff, if present in the outsourcing theory, are considered as an economical asset, a human resource.

#### **2.6.4 Management of outsourcing**

The decision to outsource is only the first step, and the amount of work involved in managing the outsourcing operation is often underestimated. The general standpoint is that if the 'problems' are outsourced, things will become easier. This position originates from the focus of management on the short-term, tactical, mostly cost-based aspects of outsourcing. But, in fact, outsourcing is a major challenge for ICT management, probably more complex than the management of the former ICT department. In practice, managers tend to think that with the outsourcing deal, they have eliminated an extraordinarily difficult ICT function from their responsibilities. However, in return they take on a function that is even more difficult. It is unpredictable because it is no longer under their direct influence, yet there is still a direct risk involved. In order to manage this in a successful way, theorists advise the development and implementation of crucial management controls to manage the risks and develop the full potential of the outsourcing (Quinn, 1999: 19-20).

Organizational theorists also consider sourcing management, the 'sourcing governance function', as de Vries (2003: 10) calls it, to be a crucial success factor. This implies the establishment of an organization composed of senior management and professionals whose responsibility is to successfully manage the outsourcing, and who must be fully operational directly after the transition of the ICT service (Cox, 2003: 21; Bragg, 1998: 126; van der Zee (2001: 9). In this context Cox (2003: 21) notes that the ICT staff remaining after outsourcing has taken place are often overworked and do not possess the correct skills. In order for it to be successful, the sourcing governance function must be visible in the structure of the organization, the employees involved must be thoroughly trained, and communication regarding the governance function must be clear and reliable. The success of outsourcing is dependent upon the maintenance of personnel with knowledge of outsourcing in the sourcing governance organization, whose role is the continuous management of the outsourcing relationship.

Aside from the organizational consequences, outsourcing has a major psychological effect for both the outsourced employees and the employees who stay behind in the outsourcing company. This results in a mismatch in expectations and performance; the latter group still expects the same performance as if the work was being delivered



in-house, and the former group often finds it difficult to let go of their former responsibilities and must adjust to the fact that they are no longer subordinates but contractors (Ho et al., 2003: 71). This highlights an element of the process that is totally uncontrollable, namely emotion. The results can include an in-house ICT staff who can't let go of their old tasks, or who don't trust the new supplier to perform those tasks properly, and outsourced personnel who still show 'ultimate loyalty' to the old organization in their services, which will have a negative economic effect on the outsourcing operation. Van der Zee (2001) describes two soft aspects which are vital for the success of a sourcing relationship. The first is the trust between the two parties, especially the management responsible. The second, which he thinks probably plays the most important role in IT-outsourcing, is the "'chemistry' (a 'match' in the areas of personal style, procedures and decision patterns)" [FB]<sup>35</sup> (van der Zee, 2001: 9). If this is not managed adequately, it will create problems for the companies, including financial trouble, and for the workers on both sides, stress, layoffs and low assessment results.

As shown above, the theory also states that outsourcing brings about opportunities for the in-house ICT staff. In order to successfully continue the company's business services after outsourcing, it may be necessary for the ICT staff to develop other skills and competencies than those that were required for their normal daily operations prior to the outsourcing. It is often also wise for the company to include some of the personnel from the outsourced ICT unit in the outsourcing management process. This should be communicated to the ICT professionals at an early stage in the process, in order to gain and keep their commitment in the execution and management of the outsourcing. Particularly in the case of outsourcing, this requires the management involved in the strategic management process to carefully balance the interests of the ICT staff and the company goals.

### 2.6.5 The continuous process

According to Gianotten (2003: 24), the outsourcing relationship is not static and should therefore be continuously monitored and adapted in order to achieve a substantial gain in efficiency. In 2003 he found that only 14 per cent of the Dutch organizations were doing this, but in my opinion the percentage is increasing due to the pressure of competition and market changes. Of course there are models in place to support this management challenge, for instance the WCIT sourcing cycle<sup>36</sup> (Delen, 2000: 83-106; Delen, 2003: 11). This is a model for the sourcing lifecycle, and should be used consistently over the course of the sourcing process in order to determine the advantages and disadvantages for all of the business functions involved in the current

<sup>35</sup> "Chemie' (een 'match' op het gebied van persoonlijke stijlen, werkwijzen en besluitvormingspatronen)".

<sup>36</sup> See Appendix 1 for the model.

sourcing balance, for instance, most of the technical ICT functions. According to a business case study, the organization's sourcing balance is assessed at certain time intervals using the available models (see examples given in this document), in order to determine a new balance with more advantages for the organization. It supports the trend in modern organizations towards a state of ultimate flexibility and fluidity, in which, like resources, "employees are added and discarded as the firm moves from one task to another" (Sennett, 2006: 48). The model also supports a never-ending evaluation process, which has a profound effect on the well-being of the in-house ICT staff, namely the constant possibility that their activities, and therefore their position in the organization, will be outsourced. Among the range of models used in the strategic management process, this model is the pinnacle of the rational use of models in the management of the organization and the needs of individuals in their drive for self-fulfilment. The recommendation by the theoretical literature for the use of this model in the strategic management process both gives the manager the certainty s/he seeks, and removes his/her personal responsibility for the results by enabling him/her to claim that the process was carried out according to the model. This urge to eliminate all doubt and risk in the decision-making process and the desire to hide behind authorities or rational models, is human and eternal (Fromm, 1968: 49; Fromm, 1980: 51). History proves this is something to be careful of because of its potentially heavy consequences for the individual human being.

## 2.7 Effects of ICT outsourcing on strategic management

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ICT outsourcing is seen by management as one of the instruments available to help maximize benefits for the organization, and according to strategic management and is regarded by organizational theorists as being something of a blessing, amplifying the power of management (Quinn, 2000: 13). This implies that ICT outsourcing has an amplifying effect on the effectiveness of the strategic management process. Juxtaposing outsourcing and organizational change is advantageous, firstly because – as has been shown – outsourcing is still almost completely cost-driven and therefore easy to substantiate, and secondly because outsourcing concerns the shifting and elimination of parts of an organization, from a set of tasks up to complete divisions. This makes outsourcing one of the more visible forms of organizational change (Logan et al., 2004: 147), fitting seamlessly into the strategic management process in the sense that outsourcing as well as strategic management has a lot to do with organizational change, hierarchical power, and the 'manipulation' of the staff. Outsourcing is not successful by itself; the process is so complex that the enterprise can fail if it is not well managed. It is a frequently used instrument in private organizations, and the management must have experience with it and perhaps also the capacity to avoid negative consequences for the company. In the non-profit sector, however, this is not so evident and the available management skills in this context are often not adequate

(Kok et al., 2003: 1). For the non-profit organization involved it is a hazardous venture with even more consequences for the in-house ICT staff. ICT outsourcing has an effect on all of the different aspects of the strategic management process, with consequences for the in-house ICT staff, from the strategic to the tactical/operational level.

On the strategic level, it is the responsibility of upper management to provide transparency regarding the company's intention to include outsourcing as a potential instrument in the strategic management process. This transparency must be consistent in all communications regarding the mission with stakeholders, including the (potential) staff, who can then take this into account when choosing to start or continue working for the company. This is especially important for the in-house ICT staff because of their vulnerability to outsourcing. If the personnel are aware of the position of upper management on this issue, they can at least prepare for the possibility of outsourcing, the shock will be less, and the process of outsourcing will seem less treacherous.

Outsourcing places a great deal of emphasis on the analysis of the internal and external environment. Depending on the standpoint of upper management with regard to the mission, according to Da Rold et al. (2002: 16) decisions about outsourcing are made from a holistic perspective, based on a complex set of questions concerning market opportunities and the internal capacities. A gap analysis can then be carried out to determine those factors that might contribute to an increase in efficiency.

Because this point of view entails treating the in-house ICT staff as assets which can be moved around, the possibility of using outsourcing as a means of increasing the company's competitive advantage makes the position of the in-house ICT staff more unpredictable. This emphasizes the need for timely, honest and meticulous communication.

In this part of the strategic management process, the organization that embraces the possibility of outsourcing must also consider the precarious situation caused by a scarcity of ICT personnel with the right skills on the labour market. For the governance of ICT outsourcing this means a constant threat of employee turnover. Scientists attribute the underlying cause of this situation to certain features of ICT, such as the increasingly rapid evolution of information technology, which leads to skills deterioration and specific skills shortages (Slaughter and Ang, 1996: 47). The result is that, on the one hand, a lot of energy must be expended to acquire and preserve critical human resources, and on the other hand, substantial training must be made available in order for the existing ICT personnel to maintain their skills (Mak and Sockel, 2001: 268). It is a serious omission in this stage of the strategic management process not to take into consideration the complexity of ICT outsourcing. As mentioned previously, the focus in this part of the strategic management process is on the business and not on the human factor. This is an astounding state of affairs when one considers how much the performance of the core competencies and the management of the sourcing

relationship depend upon motivated, committed and appropriately skilled ICT personnel. In my opinion, the key here again is a greater involvement of, and an intensifying of communication by upper management with the employees in the organization.

Gilley and Rasheed (2000: 771), among others, have noted that there is a vast relationship between strategic choice, cost leadership, focussing and differentiation, and the choice for outsourcing. According to their research, it is good for a company which chooses cost leadership to, as far as possible, outsource everything that is not core business, because this will have a positive effect on the company's performance. However, Gilley and Rasheed only focus on the presumed cost benefits of outsourcing, which is, as mentioned previously, a questionable basis for making such changes.

All of these aspects of outsourcing can have serious effects on the well-being of the employees. Consideration of these factors at an early stage in the strategic management process, explicit communication by company management, and proper handling of the situation can help to lessen the potential negative effects.

In defining its long-term goals, the company has to be transparent in its handling of strategic ICT outsourcing and accordingly has to decide whether to be a leader or a follower in the ICT market. If the company decides to be a leader in the field of ICT which supports its primary process, then it must further decide, based on a thorough internal and external market analysis, whether to do so alone by investing in building up and maintaining the necessary knowledge, or to look for an external partner who can perform the ICT better and cheaper at lower risk. If the company decides to be a follower, it will probably use standard technology, which will most likely be a commodity. ICT outsourcing is also important in this area because, as previously noted, commodities can also be maintained and exploited by an external party. The aims of the company with regard to the possibility of outsourcing are made more transparent by setting the long-term goals in this way.

Pelzer (2002: 848) mentions a surprising parallel between the intentional change management mantra: 'change it, love it, leave it' and the three possible reactions of the 'victims' of this predicted organizational change. The personnel can assess whether or not to accept the consequences of the power dynamic and the unbearable situation. Assuming they are incapable (powerless) of changing the situation, the only alternative for them is to stay, accept the consequences and prepare for eventual outsourcing activities. Similarly, Mak and Sockel (2001: 268) conclude from their research that management efforts to reorganize, downsize and eliminate layers of the workforce are perceived by employees as a threat and this affects staff well-being. It is therefore as important for the employees as for the company to communicate in a timely and transparent manner about the role of outsourcing in reaching the company's long-term goals.

When the organizational attitude is consistently positive towards outsourcing in the business strategy stage of the strategic management process, the organization must ask itself the following main questions (Da Rold et al., 2002): First, is the internal ICT organization capable of successfully performing the outsourcing? Second, is there a market party who can carry out the ICT project or activity better, faster or cheaper than the internal ICT organization? Third, is the organization capable of managing an external service provider? If one of these questions is answered in the negative, the management of the organization should reconsider the outsourcing plans and better focus on strengthening the in-house ICT capacity. These nuances in the business strategy stage of the strategic management process are important for the ICT staff because they force upper management to think twice before performing an exclusively cost-driven outsourcing. Furthermore, openness of the organization concerning outsourcing provides the ICT staff with more information to help them make their own decisions and 'survive' the possible outsourcing of their tasks. To underscore the harshness and uncertainty of this situation for the employee, Khosrowpour et al. (1996: 87) go as far as to compare it with the struggle entailed in 'survival of the fittest'.

Transparency regarding the impact of outsourcing at the different levels and stages of the strategic management process may empower the in-house ICT staff by informing them about the company itself, and the risks to their job security. This means that they supposedly are able to take responsibility for their choice of employment and the relationship they have with the company for which they work.

Researchers in the field of outsourcing (e.g. Khosrowpour et al., 1996: 94) believe that confronting the employees with outsourcing as an accomplished fact is not a sensible management strategy because of the possible negative impact on organizational performance. Participation of all of the stakeholders and especially the personnel in the outsourcing decisions has a positive effect on morale and thereby on the productivity of the firm. Once again, Khosrowpour et al. (1996) focus mainly on the negative effects as seen from the perspective of the company, which is necessary of course but leaves the perspective of the employees unaddressed. From the employee's point of view, the communication about and participation in outsourcing is more a moral obligation in the interpersonal organizational relationship. In principle, the short-term goals should not contain unpleasant surprises with negative consequences for the ICT staff, and if there are, compensation must be adequate.

While directing activities towards the short-term goals, outsourcing still plays a role in reaching company objectives. Management must be aware of the capacity of the in-house ICT staff to either perform the supporting ICT activities internally, or manage the activities of an existing or new outsourcing provider. The side effects of this management awareness are twofold. Firstly, there is an opportunity for management to communicate in a direct and honest way with the ICT staff about the company's

attitude towards outsourcing and the effects of it upon daily operations. This contributes to transparency in the organization. Secondly, if information is not communicated in the right way (early, open, complete and honest), there is the potential for rumours and distrust which lead to the attitude among ICT professionals that outsourcing is a 'plot' by their principals, "to reduce their position and the services provided by them" (Khosrowpour et al., 1996: 93).

If the theory is to be believed, leadership must contain the ingredients to make a humane success of outsourcing as a management instrument. We may conclude from Kotter (1996: 21) and Buijs et al. (1996: 81) that leadership consists of a great deal of honest communication at all stages of the strategic management process, and that this is a good thing, especially given the constant threat of outsourcing. As previously mentioned in this chapter, leadership also implies giving a good example and showing respect towards other human beings. These characteristics, however, are not restricted to the mystical leader meant in the abovementioned theory, these are just the characteristics of a sincere human being.

As described in this section, the theoretical leader is someone who has all of these good characteristics and is also completely devoted to the company goals. This last feature cannot be totally wrong; after all, companies have to survive, and that too is good for the employees. Particularly where the intense consequences of outsourcing are involved, however, there must be a balance, and if something like leadership exists, that balance must be kept and guarded by the 'leaders' in contemporary organizations. Leadership as described by the previously mentioned authors is of a more manipulative kind that is advantageous to the shareholders and upper management. In my opinion, the focus of the 'real leader' must be on the balance between the company's endeavours to meet its goals and the attempts of the human being to achieve well-being and self-fulfilment in his/her own way.

## 2.8 Conclusion

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In organizations the employee and employer encounter each other in the labour process in which they have an antagonistic relationship according to labour process theory. The employer tends to exploit the employee in order to increase business results, efficiency and profit, while the employee only can persist by selling his/her labour. Critical theory writers like Marcuse and Fromm, are convinced that certain manipulative capitalist features in this organizational relationship can affect the employees. Management plays a dominant role in this process which finds expression in strategic management in contemporary organizations. According to prevailing organization and management theory, the strategic management process consists of congruent components like marketing management and human resource manage-

ment, and is aimed at achieving company objectives. These are set by top managers to fulfil the aims of the 'shareholders', which are mainly growth in business results and power. Actually, when critically assessed, strategic management resembles a military hierarchical process that can be dissected into different parts which facilitate the flow of power and directions from the top of the organization to the work floor (Levy et al., 2003: 98). The mission and vision leave no leeway for other interpretations of the direction that comes from the top. The long-term and short-term goals give management the authority to make decisions within the constraints of the directions from the top. The further dissected aspects guide the actions of all individuals to work in a coherent way in order to reach the organizational goals. Freedom or creativity is restricted by the strategic management boundaries. The actions of employees in the strategic management process are constantly monitored, mostly in an automated way. This control mechanism, still largely based on the work of Frederick Winslow Taylor (ten Bos, 1998: 4), produces information concerning the performance of the organization, which flows back to the top to facilitate constant improvement with the aim of making this process ever more efficient and effective. A hierarchy is in place within which management performs as the translator of the direction coming down from the top to the lower echelons. Because of the distance created by this hierarchy, the link between the top of the organization and the employees in this cascade of power is often absent or weak.

Strongly embedded in the strategic management process is the connection of the outer environment with the inner environment. The internal improvement process, continuously adjusting the organization with reference to the external environment, is aimed at increasing efficiency. According to the theory, change must be constant in the strategic management process; it is indispensable for the optimal performance, even the survival, of organizations in the modern era. Management seems to embrace and even worship change (Grey, 2002: 3), and connects prestige to the welcoming of and the ability to endure constant change. In the strategic management process, the concept of leadership is in place to 'manipulate' the workforce in this constant change. In this environment the employee has to find his/her self-fulfilment, which is, under these circumstances, difficult to accomplish.

The introduction and increased utilization of ICT is a management decision to improve the shareholders' value, time to market and profits, and to lower costs, mostly by employee reduction. This is seen as a threat for the production employees in the primary processes of the company and a good development for the in-house ICT staff. However because of the corresponding increased use of ICT, the accompanying costs, and its growing complexity, companies are more inclined towards outsourcing parts of their ICT. According to the theory, the character of the outsourcing decision process is perpetual, which causes constant concern for the in-house ICT staff about being outsourced by management for tactical reasons. Because they have little influence,

this is threatening for the in-house ICT staff due to the loss of job-certainty and this can cause feelings of depreciation. Because processes like ICT and ICT outsourcing are not integrated at every level of the strategic management process, decisions about them are not transparent and communicated in a timely manner to the ICT staff, which results in suspicion and indifference.

The strategic management process has evolved in the previous decades from just being a division of labour aimed at efficiency, through the scientific management aimed at more efficiency, into a process that facilitates continuous organizational change for even more efficiency. This is accomplished in the strategic management process by mechanization and the use of models, mechanisms and techniques, as discussed in this chapter. The utilization of ICT in the strategic management process amplifies this aspect by adding even more methods, models and techniques, and outsourcing goes even further in this process of mechanization. Looking at this process, I endorse Fromm's (1980: 98) conviction that mechanization and automation are elements creating dehumanization in contemporary organizations.

Outsourcing is, roughly speaking, the transition of tasks of one organization to another, often with the accompanying staff, mostly aimed at increasing the company's efficiency. This process can be considered as a step in the division of labour. It is primarily focussed on commodities and is accelerated by the progress of (ICT) technology (Marcuse, 1999: 290).

To support the process of outsourcing in the strategic management process, more models have been introduced which amplify the mechanizing effects and thereby the dehumanization. In outsourcing theory, human beings are mostly considered as just a special form of resource. This may be one of the reasons why the importance of communication is so underestimated in the strategic management process. Levy et al. (2003: 106) suggest that a restrictive or even an anti-communicative element is inherent in a top-down control process. With the increasing speed of organizational adjustments necessitated by the putative increase in change, the need for communication is becoming even more urgent. The lack of transparency and communication results in feelings of powerlessness among the employees concerning their position in the continuous organizational change. This "fetish of change" (Grey, 2002) may cause feelings of betrayal, cynicism and distrust among employees (Sievers, 2007c: 3; van der Ven, 2008: 28).

The organizational drive is a rationally, mechanically, calculated drive, wherein the individual naturally plays a subordinate role. Because of the manipulation inherent in the strategic management process this can turn into an obstruction of the employee's drive for self-fulfilment and the adaptation to the company objectives. By pursuing the short-term organizational advantages accompanying the drive for the company



objectives, employees may confuse the prevailing organizational life with the fulfilment of their own potentials. ICT outsourcing is something that can happen at any time, and is uncontrollable by employees, negating a lot of what is important in their endeavours and amplifying the development of organizational mechanization. Outsourcing is the culmination of this mechanization and will most certainly elicit fierce reactions among the in-house ICT staff. As a result, it is reasonable to assume that ICT staff must feel threatened by the constant possibility of outsourcing.

# 3 SVB, the research practice

This chapter will give insight into the current practices of the Sociale Verzekeringsbank (SVB), presented within the common framework of the strategic management process. The first section introduces the SVB organization, and the next considers the internal and external environment of the SVB. This is followed by a description of the mission, company goals and the essence of the business strategy and ICT strategy. Finally, a brief description is given of the planning and control cycle, the management instruments used and the SVB's past experiences with outsourcing. The information is derived from public company sources, such as the end of year accounts. In this regard, contemporary non-profit organizations like the SVB do not differ much from profit organizations. The organizational life of the SVB's in-house ICT staff will also be considered in this chapter.

## 3.1 The Sociale Verzekeringsbank organization

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The practical focus of this research is the organization known as the Sociale Verzekeringsbank (SVB). The SVB is the oldest social security organization in the Netherlands, established in 1901 as the 'Rijksverzekeringsbank' in order to execute the first social security law, the 'Ongevallenwet 1901'. Together with the organization 'Raden van Arbeid', established in 1919, the Rijksverzekeringsbank administered Dutch social security legislation for a number of decades. In 1956 the Rijksverzekeringsbank became more independent of the government and underwent a name change to become the Sociale Verzekeringsbank. In the late 1980s the SVB and the Raden van Arbeid were combined into one organization, the SVB, and the Raden van Arbeid became the regional offices of the SVB (Sociale Verzekeringsbank, 2006: 174-180).

The SVB is one of the best performing autonomous administrative institutions in the social security in the Netherlands (known in Dutch as a Zelfstandig Bestuursorgaan (ZBO)) and its primary task is administering social security laws for the Dutch Ministry of Social Affairs and Employment (Sociale Zaken en Werkgelegenheid (SZW)). Among the most important of these laws are the General Old Age Pension Act (Algemene Ouderdomswet (AOW)), the General Child Benefits Act (Algemene Kinderbijslag Wet (AKW)) and the General Surviving Dependents Act (Algemene Nabestaanden Wet (ANW)). As well as administering this portfolio, the SVB performs other tasks, partly for other customers, such as the execution of legislation concerning compensation

for support costs relating to handicapped children living at home (Tegemoetkoming Onderhoudskosten Thuiswonende Gehandicapte Kinderen (TOG)) and the Remigration Act (Remigratie Wet (REM<sup>37</sup>)). Per year the SVB pays more than 30 billion euro to approximately five million customers. More than 3000 employees work nationwide for the SVB across 14 business units. Approximately 550 of the total number of employees at the head office work in support functions. These employees are responsible for policy development, coordination of policy execution and the support of district offices with regard to aspects like human resource management, ICT, strategic affairs, finance and corporate communication.

For years, social security in the Netherlands has operated under a policy of constant economy measures. The resulting competition has stimulated efforts to create more efficiency in the system, and to this end, the strategy of the SVB has been to decrease costs while maintaining quality and increasing its portfolio. By greatly increasing the automation of its processes, the SVB hopes to reduce costs and become more competitive. In a rapidly changing environment and under pressure from growing competition, the question arises as to whether it is wise for the SVB to continue delivering ICT itself, or to move towards partial or complete outsourcing.

The SVB hopes to meet the challenge posed by competition and future demands with its organization-wide, business-driven change programme, called 'Tien voor Service' (Ten for Service). This programme consists of rigorous alterations in organization structure, processes, information services and the underlying technology. The most important goals of the change programme are service improvement, cost decreases, the smooth integration and execution of new or altered legislation, and increased flexibility in processes and ICT systems. One of the objectives was an ICT reorganization, starting from 1 January 2008 (see Appendix 2). The most important feature was the distinction between the demand and supply organization. The demand organization attends to the demands and requirements of the SVB's business, in congruence with the business goals. The supply organization delivers fast and efficient ICT services. Although upper management proclaimed at the start of the programme that no further outsourcing was being considered, outsourcing is increasingly becoming a normal strategic management instrument for the SVB.

Publicly available information paints a clear picture of the SVB's strategic management process.

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<sup>37</sup> The Remigration Act is a Dutch law covering the payment of benefits to immigrants who return to their country of origin.

## 3.2 Strategic management of the SVB<sup>38</sup>

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The Board of Directors of the SVB is appointed by the Ministry of SZW to lead the organization in the performance of its governmental tasks. A vision statement is developed by the Board of Directors, ambitions (company goals) are defined and the development of a business strategy and an ICT strategy is included in the change programme 'Tien voor Service'. A target architecture is developed which outlines the ICT situation necessary to support the SVB's long-term objectives. The main business principles are defined in the business strategy. Firstly, the SVB aims at further improvement of its already high-quality service, at a decreased cost. Secondly, the SVB aims at standardization of the performance of its business processes. ICT has an important role in this, by enabling cost decreases and better customer service.

In turn, the ICT strategy emphasizes efficiency with a strong focus on standardization, a decrease in complexity, and an aim to reduce ICT staff and management. With respect to this, there are preliminary considerations as to how the SVB can approach ICT outsourcing, namely that those ICT solutions which do not fit within the defined standard are possible candidates for outsourcing.

Different aspects of the SVB's strategic management process are briefly outlined below in order to give an impression of the context within which the ICT professionals work.

### 3.2.1 Mission of the SVB

Although the SVB lacks a complete and explicit mission of the kind defined earlier, the primary task of the company is clearly expressed in its vision statement (Sociale Verzekeringsbank, 2008: 30):

"The SVB aspires to be an excellent service-oriented and environmentally aware executor of the government's social legislation." [FB]<sup>39</sup>

The primary task of the SVB is the execution of the financial legislation assigned to it. The creation of the mission is the responsibility of the highest level management, the Board of Directors of the SVB.

### 3.2.2 External and internal environment of the SVB

The SVB operates within the market concerned with the execution of laws for the Dutch government and is represented by the Ministry of SZW. The SVB has to accomplish its business in cooperation with a range of network partners including companies

<sup>38</sup> For the purpose of comparison with the previous chapter, the description of the SVB practice in this paragraph is similar with regard to structure.

<sup>39</sup> "De SVB wil een excellente servicegerichte en omgevingsbewuste uitvoerder zijn van persoonsgebonden regelingen van de overheid."

in the social security sector, for the purposes of data exchange, and private suppliers of ICT services, hardware, software and ICT human resources.

The work of the SVB is driven on the one hand by government demands to cut back costs, decrease time to market, and increase the quality of primary processes, and on the other hand, by the demands of its customers, Dutch citizens, for better services, such as more customized internet-based self-service. These multiple demands create an increasingly complex market position for non-profit organizations like the SVB, because they have to deal with more than one market party to accomplish specific targets in the company objectives. This requires the SVB to be more flexible and to react faster to new and changing legislation.

Until now ZBOs (autonomous administrative bodies) like the SVB have held a monopoly position in the market. However, the competition is gradually increasing, not only between the different ZBOs, but also between ZBOs and private companies such as those offering pension funds and insurance. It is also becoming more normal for ZBOs to compete with other ZBOs and even private organizations for the acquisition of governmental tasks. The SVB can still partly rely on its monopoly position and the forced trade situation concerning its present tasks, but it is also aiming at expanding its business. In addition, because of the fierce policy of social security cutbacks aiming towards greater efficiency, the SVB feels the need to consolidate its position in the market to provide for business continuity in the increasingly competitive environment in which it operates.

It is often the combination of dynamic forces in the external environment that creates the situations that companies have to deal with. Accordingly, the SVB makes strategic plans covering a period of three to five years, including prognoses for changes in the external environment, in order to find out the potential interaction with and impact upon its business.

The internal environment of the SVB is primarily focussed on the execution of the legislation in the most legitimate, efficient and effective way, and there is an extreme dependency on ICT. The primary processes are supported by technically obsolete, mainly custom-made, legacy systems. The results of using this architecture are firstly, inflexibility concerning adaptation to new demands, which leads to a relatively long time to market and secondly, due to the use of custom-made software, dependence on scarce human resources, and a requirement for ICT staff training which also takes up time. If the SVB wishes to distinguish itself, it has to use ICT in a strategic way that enables the necessary jump forward. "In Great Britain the strategy developed by the Ministry of Public Health and Social Security in order to improve its social security administration, was in fact an ICT strategy; the feasibility

of important policy changes is also dependent upon automated systems” [FB]<sup>40</sup> (Earl, 1995: 7).

This is one of the main reasons the SVB implemented the aforementioned, strategic change programme ‘Tien voor Service’. In order to accomplish the programme’s goals, the SVB formed a collaboration with a commercial ICT partner to develop and implement a new architecture to support the ICT processes. The SVB’s main objectives were to improve service, decrease costs and create more flexibility in processes and systems to allow quicker adaptation to changes and new legislation. The contribution of the ICT organization was the replacement of most of the SVB’s current systems. In 2008, the ICT department was thoroughly reorganized with radical changes in the work processes and organizational structure aimed at increased flexibility and efficiency. The SVB’s internal ICT environment thereby became more susceptible to outsourcing. As previously mentioned, government organizations in particular are increasingly employing outsourcing in their strategic management process. The SVB can, in this context, be considered as a government organization.

### 3.2.3 Long-term objectives of the SVB

The SVB has defined the following four company ambitions (goals) to realize its vision:

- 1 Excellence in performing our primary task;
- 2 Excellent customer service;
- 3 A result-driven workforce with employees who are involved and committed to self-development;
- 4 Investing in the future, being innovative and socially engaged [FB]<sup>41</sup> (Sociale Verzekeringsbank, 2008: 30-47).

The overall ambition is to accomplish this in a lawful, efficient and efficacious way for the benefit of the stakeholders and the customers. A focus on service, environment and society awareness are key concepts. As a public administrative organization, the SVB places a priority on openness towards society in general and the customers and primary stakeholders in particular.

In order to achieve its company goals, the SVB needs to perform well in those areas which are considered essential, the critical success factors. These critical success

<sup>40</sup> “In Groot-Brittannië was de strategie met betrekking tot de verbetering van de uitvoering van de sociale zekerheid, die ontwikkeld werd binnen het ministerie van Volksgezondheid en Sociale Zaken, in feite een strategie voor ICT; ook de uitvoerbaarheid van belangrijke beleidswijzigingen is afhankelijk van geautomatiseerde systemen.”

<sup>41</sup> 1. Een voortreffelijke uitvoering van onze primaire opdracht;  
2. Excellente dienstverlening aan de klant;  
3. Resultaatgerichte werkgemeenschap met betrokken en zich ontwikkelende medewerkers;  
4. Investeren in de toekomst, tonen van innovatief gedrag en maatschappelijk betrokken zijn.

factors are made operational by incorporating key performance indicators and accompanying target values. For the Ministry of SZW, these key performance indicators are linked to the target values of the SUWI<sup>42</sup> chain. These concern the amount of efficiency, rightfulness, timeliness, enforcement, and customer satisfaction.

The SVB's primary task is performed according to the SUWI target areas and checked against measures and norms for lawfulness and timeliness in benefit payments and enforcement. The development of the SVB's efficiency is compared with wage and price index developments and must stay within this framework.

The context in which the SVB operates is dynamic and has an influence on the strategy of the SVB. The factors involved can be described as follows:

- The proportional increase of the aging population, which has resulted in a spectacular increase in the number of elderly making applications under the General Old Age Pension Act (AOW). 2011 will see the first of the 'baby boom generation' reach the age of 65;
- Increasing globalization, and a corresponding increase in Dutch citizens moving around the world, while still continuing to draw upon Dutch social security;
- The emancipation of citizens, through which greater demands are placed on the services and performance skills of public organizations;
- Societal and political pressure with respect to cost efficiency and effectiveness of service provision;
- The earlier role of the SVB as a forerunner in large-scale automation which now is becoming obsolete;
- Changes in the legislation under which the SVB operates, which is becoming more individualized and complex.

This environment places high demands on the performance of the SVB. Customers must be served quickly, efficiently and with skill, with respect to both the benefit to which they are entitled and the company services.

### **3.2.4 Business strategy of the SVB**

The SVB chooses to focus mainly on cost-leadership by operational excellence, concentrating specifically on timeliness and legitimacy. This must be especially noticeable in the following core activities:

- Ascertaining a customer's right to benefits and the amount;
- Payment of benefits;
- Customer contact and customer service.

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<sup>42</sup> Wet Structuur Uitvoeringsorganisatie Werk en Inkomen (Work and Income (Implementation Structure) Act): a law describing the roles and responsibilities of administrative organizations responsible for ensuring the reliability of benefits, information and support to non-workers in Dutch society, with the aim of efficiently reintegrating them into employment.

“The choice of ‘operational excellence’ for the performance of the current tasks and the associated consequences, including the accompanying staff downsizing, is agreed upon by the top 35 of the SVB.” [FB]<sup>43</sup> (Koster, 2003: 17)

The change programme ‘Tien voor Service’ has been developed to define and realize this ambition. As a starting point in this programme, the integrated business model (iBVM<sup>44</sup>) is used as a reference for the business architecture. This model is mainly aimed at the improvement of customer service, among other things, by delivering fully integrated service to customers at the moment they get in contact with the SVB. According to the model, the ideal is a ‘one stop shop’ for all of the services covered under the legislation. This is carried out by ‘integrated service teams’ made up of people who possess all the skills and legal knowledge necessary for delivering such a service.

### 3.2.5 Short-term goals of the SVB

The SVB has developed an INK<sup>45</sup> model with concrete goals for the nine perspectives and a feedback loop. It uses this model in order to achieve more detailed goals per business unit, in line with the overall company goals. The goals are translated into critical success factors, which are in turn translated into performance indicators. In the annual planning and management contracts, agreements are made concerning the performance of the business units, which is measured using the results of the performance indicators. As a part of the planning and control cycle, the performance indicators are used in the periodical reports to display the performance of the divisions based on the annual plans. The short-term goals in the strategic management process of the SVB are mainly made operational by the different programmes and projects that support the direction of the company strategy. In the going concern, there are short-term goals embedded in the targets that are attached to key performance indicators which have their place in the planning and control cycle. Approximately 40 per cent of the total amount of work is performed as part of projects, the rest is performed in activities relating to the going concern.

### 3.2.6 Functional tactics, policy and control mechanisms of the SVB

In the SVB, the majority of actions are covered under process descriptions, both for projects and for going concern activities. For instance the Prince2<sup>46</sup> process is in place

<sup>43</sup> “De keuze voor ‘operational excellence’ voor de uitvoering van de huidige taken met de daarbij behorende consequenties, inclusief de daarbij behorende personele afslanking wordt onderschreven door de top 35 van de SVB.”

<sup>44</sup> The SVB’s integrated business model (integraal BedrijfsVoerings Model): a model to direct and assess the activities of the change programme ‘Tien voor Service’.

<sup>45</sup> The Instituut Nederlandse Kwaliteit (Dutch Quality Institute) is the Dutch partner of the EFQM, and is known mainly for its INK model, a management model for self-evaluation aimed at identifying the improvements needed in order to reach a higher organizational maturity level.

<sup>46</sup> Prince2 (Projects IN Controlled Environments 2) is a structured method for project management.



for projects, and the rest of the activities are performed using processes such as ITIL<sup>47</sup>, BiSL<sup>48</sup>, etcetera. In these processes people work according to function descriptions which outline the framework of tasks, responsibilities and competencies. Employee performance and competence are assessed annually by management, based upon these function descriptions, and this assessment has an effect on employee salary, but only in the form of an improvement. Decrease proposals are not allowed and zero proposals are only allowed if announced and explicitly justified a minimum of six months beforehand. Salary progression and improvements per function are rigidly framed within salary groups and incremental steps. Exceptions to this process are rare and must be substantiated by the management.

Every year, the SVB's Long-Term Plan (Meerjaren BeleidsPlan (MBP)) is used to revise the year plan for each business unit for the coming year. There is also a planning and control cycle in place for ICT management, linked to the INK model the SVB has implemented (the INK model is related to the previously described TQM). Based upon the planning and control cycle, project and programme portfolio management and corresponding resource management are employed in the ICT division, in collaboration with the demand organization, in order to establish and improve upon the successes of the organization's ICT projects. A coordination mechanism embodied by a project portfolio board links together the ICT strategy, the target architecture, the change programme 'Tien voor Service', and the planning and control cycle. The board makes decisions and is responsible for managing priorities relating to important aspects like the ICT work that is carried out during the renewal, the ICT strategy, and the going concern.

### 3.2.7 Structure, culture and leadership of the SVB

The SVB is a company in which, on one hand, the bureaucracy and hierarchy still have an important position, and on the other hand, there is an informal culture among the professionals strongly aimed towards quality and high norms. Employees in general experience good working relationships and are committed and loyal. They often work for the SVB for long periods and come to know where and when to find each other via informal avenues.

The SVB aims towards more efficient and result-driven work and the preservation of good quality. The nature of the service requires precision and risk management, and although it is necessary to be attentive to potential developments, there may not be complete certainty concerning these developments. This calls for a lot from an organization for which support, improvement and risk management are 'in the genes'. The

<sup>47</sup> The Information Technology Infrastructure Library is a set of concepts and best practices for managing ICT processes and services.

<sup>48</sup> The Business information Services Library is a framework for functional management and information management.

SVB must be transformed into an organization that is more flexible and proactive, particularly regarding potential new developments.

The SVB's ICT organization was restructured in 2008. The demand and supply functions were separated, requiring new methods of working and cooperation. The renewal of the ICT systems may lead to new ways of working that have implications for the structure of the organization. The ambition is to create and maintain organizational flexibility.

Different hierarchical layers of management can be distinguished in the governance of the SVB's ICT. At the strategic level, a member of the board of directors is responsible for the ICT processes, which are divided into those associated with the demand process and those associated with the supply process. Both processes are located in different areas of the SVB organization. The supply organization is highlighted in this research.

An ICT director is responsible for the supply organization at the strategic level as a representative of the relevant member of the board of directors. This ICT director has full mandate within the frame of the management contract, which is an agreement between the ICT director and the board member. His/her organizational department acts as an independent business unit, called 'ICT Diensten' ('ICT Services'), within the organization of the SVB.

ICT Services is divided into three departments (see Appendix 2). In each department there are 70 to 80 professionals whose work is focussed on a particular area. Firstly, 'Portaal' (Portal) is where all the customer requests come in and where the first analysis takes place. Project management is also facilitated in this department, and the project managers, information analysts and functional designers can be found here. Secondly, all development activities take place in the department 'Ontwikkeling & Beheer' (Development and Maintenance). The developers of all of the computer languages used in the SVB are located in this department. Finally, the department 'Exploitatie' (Operations) is where the helpdesk, infrastructure management and system processing can be found. The ICT specialist and support functions are contained in this department. The technical ICT staff in the latter two departments are the most vulnerable to outsourcing.

Each department is led by a tactical manager who oversees the three or four operational managers ('sectiemangers' or section managers) responsible for the operational management of teams of 15 to 30 ICT professionals. Occasionally, for span of control reasons, the section manager delegates some tasks to a process coordinator. The result is a maximum of four formal management layers in the hierarchy of the ICT supply organization, leaving out the process coordinator level. In total, the management of the ICT supply organization exists of 1 director, 3 department managers and 11 section managers.

Integral management is a feature of the new organization, implying that managers perform both human resource management tasks and operational management tasks.

Most managers have a long history with the SVB and in the ICT division of the SVB. The majority of ICT managers originate from the ICT profession and are therefore rather ICT content-driven. As a result these managers interfere with the operational process due to their professional interest in and/or knowledge about ICT processes. The SVB's ICT management, due to its long association with the organization, tends towards loyalty and conformity regarding the SVB's strategy. There is certainly no tendency to be very critical of the principles of or decisions made by upper management. On the one hand, this results in efficiency concerning energy expended to meet company objectives, but on the other hand, the commitment of the rest of the organization is more towards upper management than being about the quality and direction of the aims, resulting in a rather hierarchical management structure.

The current governance of the SVB is strongly aimed at structurally embedding renewal in an ICT organization which is more aimed at maintenance, searching for synchronization between the change programme 'Tien voor Service' and the maintenance of the legacy ICT. The focus is on a more efficient, transparent and pragmatic sort of governance and decision-making. The department 'Informatie Management' (Information Management) supports the business within this process. As previously mentioned, the project portfolio board aims to align demand with resource management, especially concerning ICT. The board of directors makes its decisions according to the advice and proposals of the project portfolio board.

### 3.3 The SVB and ICT outsourcing

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An examination of the SVB's outsourcing practices, including deals relating to employee transition, leads to the conclusion that experience with outsourcing is rather limited. The SVB still performs a lot of the ICT tasks itself; only two ICT environments are outsourced to an external service provider.

In 2001 the SVB outsourced its IBM<sup>49</sup> mainframe hardware platform and the processing of the primary systems concerning the administration of the laws AOW/ANW and AKW. This outsourcing deal included the transfer of the technical ICT staff involved. In 2007 the IBM iSeries (former IBM AS400) hardware platform was outsourced, including the accompanying processes. This last outsourcing deal affected the work of at least two technical ICT staff members, neither of whom was transferred because

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<sup>49</sup> International Business Machines is a multinational computer hardware and software manufacturer and ICT consultancy and data centre organization.

both took refuge in another working environment. The SVB also works with a lot of suppliers for a wide range of services, but this is not considered outsourcing according to the definition used in this document.

The rest of the ICT processes are performed by the SVB's ICT staff. Given the current way that ICT is organized in the SVB, it can be concluded that the technical automation processes are concentrated in two departments, making it easier to outsource the ICT staff in these departments. With such a low level of experience with outsourcing as a management instrument, it is understandable that the possibility of the future renewal of the complete ICT landscape through the business-driven strategic change programme 'Tien voor Service' will bring about feelings of uncertainty. As previously mentioned, the SVB's upper management decided there would be no change in the outsourcing balance of the new ICT portfolio compared with the old. However, it is worth noting that in the ICT strategy, outsourcing is considered to be a regular management instrument.

### **3.3.1 Decision-making process**

When the plan first arose in the SVB to outsource the iSeries environment, the management focus was on cost reduction, and the decision-making concerning outsourcing was unstructured and more or less intuitive. In those days, the SVB had no recent experience with outsourcing – the latest, and only experience had been approximately six years previously. I foresaw an intuitive tactical process and wanted to equip the upper management of the SVB with an instrument, so I developed a sourcing strategy, a theoretical model to ground outsourcing decisions. The model was used in the iSeries outsourcing decision, but not in the way I had intended; instead, it was used as an excuse for outsourcing. I think this is illustrative of what happens in contemporary organizations. The management involved only communicated very late in the process regarding the imminent outsourcing. When upper management decided to pursue outsourcing, this decision was forced upon the employees.

### **3.3.2 Management of outsourcing**

In the time following the first major outsourcing deal, the SVB has not implemented the abovementioned, explicit organizational governance of outsourcing. This may be the reason that for a long time after the completion of the outsourcing, some of the tasks which were formally outsourced were still being performed by the in-house ICT staff. Discussions revealed the reasons to be: 'we can do it better' and 'they don't understand our business'. It can be conjectured that the in-house ICT staff couldn't let go and were emotionally wedded to these tasks. This had a negative economic influence on the outsourcing operation, unfortunate since efficiency was the initial goal of the outsourcing ten years ago.

The SVB's largest outsourcing deal did not result in the previously discussed governance adjustment of the structure of the organization, culture, management and leadership. Although most of the advantages predicted by theory were not achieved, this outsourcing did, however, result in a decrease in costs, especially in the first years after outsourcing.

### 3.4 ICT staff of the SVB

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This section examines the SVB ICT professionals with a view to discovering those aspects relevant to the research. The following information pertains to the overall personnel features of the in-house ICT staff (Hofstede, 2009):<sup>50</sup>

- There are 271 employees within the ICT organization, of which 192 are male (71 per cent) and 79 are female (29 per cent). An ICT employee works an average of 33.7 hours per week. The men work an average of 34.8 hours per week and the women 30.6 hours per week;
- This is an ageing group of employees. The average age of the ICT employee is above 47 years. Each of the departments has more or less the same structure: there are no young employees, and the largest group in almost every department is the group of employees aged between 45 and 54 years old. At the end of 2008, 35 per cent of the staff was older than 50 years. If the staff structure remains unchanged, in 2018 74 per cent of the employees and 80 per cent of the management will be older than 50 years;
- The management of the ICT organization currently consists of 20 people with an average age of 49 years. More than half of this group is older than 50 years. With an unchanging structure, the coming years will see approximately 56 per cent leaving due to reaching pension age. This means that the organization should anticipate having to prepare a new cohort of managers in the future;
- The average ICT professional is very loyal to the SVB and often has a long period of service, with the average number of service years being 17.4. More than 60 per cent of the employees have been there for more than 15 years;
- The staff departure in 2008 was almost 7 per cent. The average output in the period 2006 through 2008 was 5.5 per cent. By comparison, the personnel output over the whole Dutch ICT sector in 2008 was an average of 12.5 per cent;<sup>51</sup>
- In 2008 the incoming staff percentage, in relation to the whole ICT population of the SVB, was not even 2 per cent;
- The staff turnover is also very limited, with an average of 3 per cent in the period 2006 to 2008, after which the average increased considerably as a result of the increased mobility due to the reorganization (6 per cent in 2008);

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<sup>50</sup> Source is an unpublished report. The assessment date of the presented information is December 2008.

<sup>51</sup> Hofstede refers to the source: *Automatiseringsgids*, no. 5, 30 January 2009.

- The sick leave percentage in 2008 was 3.76 per cent (including long-term leave and excluding maternity leave). The average frequency of workers reporting sick was 1.75 and the average duration of absence was 7.2 days.

The most important issues concerning these figures are the limited internal and external mobility of the employees, and the ageing of the workforce. Both aspects have an influence on the vitality of the organization, and thus on its adaptability and capability for change. In light of the organizational change encompassed in 'Tien voor Service', employees were asked to depart from their usual efficacious routines in order to determine how they can contribute to achieving company goals and how they can or wish to develop themselves in accordance with these objectives. It is essential for the SVB that employees cooperate in the development of new systems, thus ensuring their ability to provide the maintenance and support of these systems. At the same time, the present quality of service must remain at least the same, which also requires the knowledge and expertise of the skilled employees. Outsourcing is considered as a possible solution in the SVB's ICT strategy, and is thereby a constant threat for the ICT staff.

The average member of the SVB's ICT staff has a long-term work relationship with the organization and even with the group of professionals with whom they work. When observing their work relationships, I perceive family-like features, such as protecting and speaking up for each other. There are also strong group features like an accepted hierarchy, creating a safe environment, and a group reaction against intruders or outsiders. Most of the aspects mentioned above are present in my observation of the research group, substantiating the importance to the ICT professional of performing their professional activities as a respected group member. This underscores their vulnerability in the case of outsourcing, presuming this will be the forced end of the group, which mostly is the case.

On the one hand, ICT professionals are prepared to work very hard and for long hours, even at night or on the weekend. On the other hand, I also observe a certain attitude of surrender to the good primary and secondary work conditions. In my encounter with the ICT staff, attitudes like indifference (I'll serve my time) and opportunism (I'll see how it goes), are present, exposing a form of resignation even when talking to them about change programmes and outsourcing. I saw this attitude change when outsourcing became more concrete as a result of the change programme 'Tien voor Service', and then buzz and rumours appeared instead. The resignation was gone and the staff reacted instead more like those who, during the outsourcing of the iSeries, were vehemently against their potentially forced move to an external service provider. In this instance, the management of the SVB underestimated the importance of respectful, timely, human communication, only revealing the information about the upcoming outsourcing very late. Outsourcing was forced upon the employees only after the decision had been made by upper management.

The SVB still has a vast bureaucracy and accompanying hierarchy, and as mentioned earlier, the employees work according to restrictive procedures. The SVB's ICT management consists of managers who have worked for the SVB for a long time. Since they come from this operation, they know the ICT profession very well and are very concerned with the operation.

In addition, the SVB is a reputable company which has existed for more than hundred years. It is perhaps no surprise that multiple generations of families have found their occupation there. 'SVB families' – where both partners in a couple work at the SVB – further underscore the soundness of the relationship between employees and the company.

### 3.5 Conclusion

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The SVB is one of the oldest non-profit organization known for its high performance and noble role in the area of social security in the Netherlands. Its primary task is to administer the social security legislation on behalf of the Dutch Ministry of Social Affairs and Employment (Sociale Zaken en Werkgelegenheid (SZW)). Among the most important of these laws are the General Old Age Pension Act (Algemene Ouderdomswet (AOW)), the General Child Benefits Act (Algemene Kinderbijslag Wet (AKW)) and the General Surviving Dependents Act (Algemene Nabestaanden Wet (ANW)). Per year the SVB pays more than 30 billion euro to approximately five million customers. More than 3000 employees nationwide work for the SVB across 14 business units. Approximately 550 of the total number of employees in the head office location work in support functions and provide the organization with policy development, coordination of policy execution and the support of district offices in the country with processes like ICT, strategic affairs, finance and corporate communications.

In Dutch social security there has been a policy of constant rationalization and economy measures for years, resulting in an increase in competition. To survive in this market, the SVB aims to decrease its costs by strongly increasing the automation of its processes. The question raised in this situation, is whether to choose part or complete outsourcing.

The strategic management process of the SVB largely resembles that described in the theory, with all of its deficiencies resting in the minor nature of the position held by the human being in the whole process. For the SVB, outsourcing is increasingly becoming a normal instrument of strategic management. The board of directors of the SVB has initiated a change programme 'Tien voor Service', which consisted of rigorous alterations in organization structure, processes, information services and the underlying technology. With the execution of this programme, the SVB hoped to be able to

meet the challenges of competition and future demands. The programme saw the reorganization of ICT, resulting in a demand organization that defines the demands and requirements of the SVB organization, and a supply organization which delivers fast and efficient ICT services. The supply organization, 'ICT Services', is led by an ICT director as a representative of the relevant member of the board of directors. 'ICT Services' is divided into three departments, 'Portal', 'Development and Maintenance' and 'Operations', in which 70 to 80 professionals are working in a particular professional area. Each department is led by a tactical manager, who oversees three or four operational managers, leading to a hierarchical situation within the ICT supply organization consisting of a maximum of four formal management layers.

The average SVB ICT professional has a long-term working relationship with the organization and with the group of professionals they work with. They experience limited internal and external mobility, and have a rather high average age. The ICT professional is strongly group-oriented and loyal to the company and its hierarchy, resulting in willingness to work very hard and long hours. At the same time, the ICT staff members display a form of resignation and credulousness about their profession and work environment.

The SVB's ICT management consists of managers who have worked for the SVB for a long time. They are both very well acquainted with the ICT profession and very concerned with its operation.

In recent years, the SVB has experienced several outsourcing deals with consequences for the in-house ICT staff. Outsourcing also has a prominent position in the new supply organization, which may be assumed to be a matter of concern for the technical ICT staff in the departments 'Development and Maintenance' and 'Operations', who are most vulnerable to outsourcing.



# 4 Methodology

This chapter presents the methodologies used in this research. Theory from a range of different approaches was used as the basis for the qualitative research. Labour process theory and critical management studies were applied in assessing organizational practices and the social psychological concept of ‘repressive desublimation’ proposed by Herbert Marcuse was used as an anchor point in the discussion. The empirical data was mainly collected using photographs as an intermediary during workshops according to the Social Photo Matrix (SPM) methodology. The SPM turned out to be the right choice for use in this research, being a powerful methodology for stimulating participants to communicate freely, which revealed hidden information. The result was a large amount of qualitatively rich information. For substantiation and generalization purposes, interviews were performed with the SPM participants and a reference group. Because the researcher is involved with and observes the in-house ICT staff almost every working day, this research will also include auto-ethnographical features.

## 4.1 Introduction

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The empirical research is a case study of a single cohort of ICT professionals. The primary practical focus is on discourse – letting the employees tell their stories – so the research was mainly qualitative. I used two methods for collecting the empirical data: firstly, the stories of the employees were collected. To stimulate them to speak freely and because of my organizational position, I decided to use a medium. As I will explain later, I chose to use photographs, with the primary empirical data being collected through photo-workshops. Secondly, open interviews with the ICT staff members were included to collect more information about their attitudes on the research subject.

The main theoretical focus will be a combination of philosophy and social psychology. I studied strategic management, ICT and ICT sourcing theory through the prevailing literature on these different professional areas, and then critically examined them through the application of labour process theory and the works of writers of critical management studies.

Using public company documents such as the annual accounting and social reports, I studied the current practices of the SVB, with an emphasis on ICT outsourcing. Because I have worked for the SVB for about 15 years, my own knowledge and perception

about the organizational processes also counts as useful information.

Finally, because of my involvement with the participants and the research material, I can't leave myself out of the research – as a result, part of my research will also be auto-ethnographical.

## 4.2 Limitations of the research strategy

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The research is limited by the fact that the practices of only one company are examined. This limits the possibility of drawing any conclusions from this research about the situation in other similar companies. The research is focussed on the technical in-house ICT staff of the SVB, their in-house situation at the SVB, with the aim of drawing conclusions about the practices of the SVB and gaining some insight into the effects of the constant threat of outsourcing on this group of professionals. The situation at the SVB is unique and not comparable with other non-profit organizations, but at the same time, the behaviour and attitudes of the studied group are not so much different from those in other organizations with the same characteristics as the SVB. Therefore, in my opinion, the conclusions from this research are also applicable in other companies in the same sector. Nevertheless, the results of this research must be considered in the light of the limitations described above.

## 4.3 Using photographs as empirical data

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The data collected concerns the attitudes of the in-house ICT staff of the SVB regarding their working situation and the influence of the constant 'threat' of outsourcing. To gain insight into the subject, the in-house ICT staff had to be given a voice, for in their discourse lies the information for this research. For me, therefore, the main challenge was to get this data in an unforced and narrative way. Alongside the 'normal' interviewing techniques, use of an alternative medium was necessary to get the desired information from the group. For this reason, I researched the use of photographs in ethnographic research and visual anthropology. Using photographs as an intermediary can have many advantages, not least because of minor details like the fact that almost everyone nowadays has a telephone with a built-in camera. But this is also a good choice for more high-level reasons; photographs are common and accepted and the barrier to using them is low, opposed to other media such as poetry, paintings and other art works, which can also be used as a way to express one's feelings. In the Western world almost everyone knows what photographs are, how to take them and has few problems associating with them. Furthermore, not many people find it strange nowadays to encounter people taking photographs in, for instance, an organization or in a public environment. The final advantageous aspect of using

photographs in the research is that it takes little time to make an expression of one's feelings. Although the search for the object may take a considerable amount of time, after finding it the actual taking of the photograph takes just one click.

But for me the real question was: is photography suitable for use with this group of people and as a method to get the required information? Although the idea of using pictures in my research sounded good to me, I wanted to know more about the applicability of it. Because in my research I view the in-house ICT staff as a group culture that is likely to become rare because of outsourcing, I started my orientation in anthropology and happened upon the work of Collier and Collier and their use of photography in the research of groups of people. They stated that "Group interviewing with photographs can become a game, each member competing against the group to give the most comprehensive information" (Collier and Collier, 1986: 104).

In particular, the game element they mentioned appealed to me, not least because it appeared to involve the element of pleasure. But the competition element is also something that can be advantageous for a researcher. In doing research, you would be lucky to be in the situation of having a target group that is willing to spout the desired information in a spontaneous and unconstrained way. Nevertheless, there is also a downside to this spontaneity, namely that data-gathering deteriorates into a chaotic affair with, as a result, less valid data. According to the experiences of Collier and Collier (1986: 105-106), preventing this is one of the greatest advantages of using photographs. Photographs stimulate spontaneity, while maintaining structure by serving as a solid reference point. As a result each photograph anchors the free and playful discussion of the participants with the research subject. For me this substantiated my good feelings about the applicability of using photographs in my research, because it actually seemed to support my desire to stimulate the employees to tell their stories.

Collier and Collier took the photographs they used in their anthropological research themselves, which has advantages, of course, concerning things such as the quality of the material and the focus upon it. Warren (2002), by comparison, experimented with a new dimension in visual anthropology, namely handing over the camera to the people being researched. Of course there are disadvantages, such as the decrease in the quality of the material, because the individuals in the research group are most likely not all professional photographers. But, as Warren says, the people involved are particularly suited to finding aspects to photograph, and thus representing their perceptions about the research subject. She was very enthusiastic about the results of this experiment.

These references further strengthened my own convictions about the added value photographs could have for my research, and also about delegating the taking of

photographs to the research group members concerned. This important part of the empirical data in my research would be collected by the visual anthropology method, in order to find out how the ICT employees of the SVB feel and think about their situation in the organization where there is a constant possibility of outsourcing their tasks. This still left me with questions about how to do this in an efficacious way.

#### 4.4 The Social Photo Matrix

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Searching for structure, quality and depth in the data-gathering and interpretation, I turned to the Social Photo Matrix (SPM) of Burkard Sievers (2007a). According to Sievers: “The Social Photo Matrix aims at creating an entrance to the unconscious in organizations. The goal of this experience-oriented method consists in, by visualising with (digital) photographs of the participants – and connecting association, amplification, systemic thinking and reflection – experiencing the hidden meaning of that, which in organizations is normally left unseen, not perceived and consequently remains unthought-of” [FB]<sup>52</sup> (Sievers, 2006b: 7).

The whole process is based on the assumption that the photographer, as a member of the organization, is not just taking photographs as normal, subjective impressions. Rather, the assumption is that the photographer is showing his/her hidden, holistic impression of the organization. Sievers (2007a: 246-247) writes: “*The Photo-Matrix allows speaking out what cannot be expressed officially.* There is also an acknowledgement that the thinking initiated by the SPM creates awareness for those processes and connections that are not supposed to become known or obvious. This work is seen as giving access to the university’s (and department’s) shadow.” The shadow aspect is very interesting in the scope of this research. Sievers refers in this context to the ‘dark’ side of the organization, “which organizations wish to deny about themselves... The shadow is repressed, and, as unconscious content, projected onto others, often onto those who are incapable of resisting it” (Sievers, 2007a: 251). This convinced me about the method’s applicability in the research concerning the effects of outsourcing on the in-house ICT staff as human beings. From the former chapter it can be concluded that seen from the ‘light’ side, the SVB is seemingly an attractive organization to work for, but the mysterious ‘dark’ side of the SVB organization is the primary scope of my research.

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<sup>52</sup> “Die Soziale Photo-Matrix zielt darauf ab, einen Zugang zum Verstehen des Unbewussten in Organisationen zu schaffen. Das Ziel dieser erfahrungsorientierten Methode besteht darin, durch die Visualisierung mit (digitalen) Photos der Teilnehmer – sowie anschließender Assoziation, Amplifikation, systemischem Denken und Reflexion – die verborgene Bedeutung dessen zu erfahren, was in Organisationen gewöhnlich ungesehen, nicht wahrgenommen und somit ungedacht bleibt.”

The SPM is clearly a social process; the photographers are the most suitable and genuine source for participation in this process, and the photographs, which they took themselves, evoke a form of group identity during the sessions. The photographs seem to “speak for themselves and to those who ‘collectively’ have made them” (Sievers, 2007a: 247). By its design the SPM provides for an atmosphere in which the participants feel free to associate with open minds and think in terms of possibilities. It provides a free ‘space’ where everything can be said that comes to mind. Thus, in an SPM, participants freely reflect on the photographs and on the reflections of each other.

In this narrative process they are discovering hidden information about themselves, the organization and its relationships. This was my intention in the collection of the desired data, so I concluded that the SPM was the right methodology to use in my research. Not least because it has evolved from experiences in visual anthropology (as described earlier), beholding the advantages, adding an attractive and effective form, depth and structure. In my opinion, one of the most powerful aspects of the SPM is that it is aimed at ‘the last drop’, by emphasizing the importance of reflection on the produced material. The result is that everything will most likely be collected, including ‘hidden’ information. To arrive at the information gathered in an SPM, the associations and reflections often drift about and it often seems that they lose the connection with the photograph. This is the ultimate effect of the medium, it starts to work as a catalyst in the discourse to reveal what is hidden.

This raises the question about the discretion of the SPM participants. During the process they are likely to reveal sensitive information, as is also the purpose of the process. Thus, to preserve the effectiveness of the SPM on the one hand, and to protect the participants on the other, I had to provide for a method to ensure their discretion. For privacy reasons no real names could be used, but the different participants had to be distinguishable for the purposes of understanding of the data, so they had to be identified in some way. I could use fictitious names, or numbers for instance. Both possibilities had their advantages and disadvantages, but I prefer fictitious names, because numbers are very impersonal, even unethical (ten Bos, 2003: 34). Taking this into consideration, I maintained my preference for fictitious names, mainly for ethical reasons. One cannot write a thesis on the subject in question, which has an ethical load, and at the same time, more or less violate the identities of the human beings concerned in the research.

I started this research with the intention of focussing it on the application developers in the SVB, because market research institutes, like Giarte and Morgan Chambers (2008: 7; 80), forecast that a large part of the absolute growth of outsourcing would be the application management function in organizations.

An invitation was sent to every participant with information about the goal, the context and the procedure (see Appendix 4). “Participants of a SPM will receive a written invitation from the organizer/host in advance that informs them about the method, its task, potential outcomes” (Sievers, 2007b: 1). A representative group of application developers of the SVB responded to the request for cooperation in the SPM. Nine application developers responded, four with a COBOL<sup>53</sup> background, three with a Java background and two with a background neither of Java nor COBOL. This corresponds with about 15 per cent of the application developers in every development environment which is used by the SVB. All participants took a minimum of six photographs within the scope of the context. The photographs used in the SPM were randomly selected from the total amount, with the restriction that every participant had at least one of his/her photographs presented in the workshop. This was ensured by randomly choosing one photograph from the selection of every participant, from number one to number nine and then again until there was a selection of 13 photographs. With a maximum of 10 minutes per photograph, the duration of the SPM did not much exceed the two hours allocated.

All participants gathered at 10:00am in a meeting room at the SVB head office in Amstelveen. The SPM was expected to take a maximum of two hours. The photographs were presented using a beamer. After the SPM, a second two hour session was planned under the same conditions to reflect on the outcomes of the first. Both the SPM and the reflection session were recorded and the minutes were taken by a secretary. The recordings were transcribed and then cross-checked and corrected along with the minutes. The results of the SPM together with copies of the photographs were sent to the participants before the planned reflection session, in order to help make links between the two sessions (as described by Sievers, 2007a, b). Collier and Collier have written about the possible obstacle effects of recording: “Ordinarily, note taking during interviews can raise blocks to free-flowing information, making responses self-conscious and blunt. Tape recorders sometimes stop interviews cold. But in this case, making notes was totally ignored, probably because of the triangular relationship in which all questions were directed at the photographic content, not at the informants” (Collier and Collier, 1986: 105-106). This experience was confirmed during the SPM. Participants were asked to give permission for the use of the recorder, and all agreed. The final documents were sent back to the participants to allow them to check whether the content reflected what was said in the sessions. As the facilitator and the host, I conformed to the information outlined in a paper that Sievers (2007b) wrote especially on my invitation. Only one of the thirteen photographs did not deliver information valid for the research. The rest were used and are presented in Chapter Five.

<sup>53</sup> COBOL: COmmon Business-Oriented Language: a third generation computer programming language, primarily used in the administrative and financial domain.

The outcome of the SPM was very rich and often surprising. The photographs stimulated the participants to tell their stories freely. As the facilitator, I was often astonished by the enthusiasm and honesty of the participants and I am sure that without the SPM this never would have happened.

## 4.5 Interviewing

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Interviewing was used to acquire more focussed data. I found the SPM an excellent medium for stimulating people to associate and to elaborate on these associations. Because the SPM is a collective medium, it is possible that the participants influenced each other during the elaboration, through phenomena such as cultural or group effects. My expectation was that these possible effects could be addressed in the interviews, and, in combination with the SPM, enrich and deepen the material. Differences between group and one-on-one research are not uncommon, and Sennett discusses this in his account of his early experiences as a researcher in the 1970s (Sennett, 2004: 45-46).

Because I really wanted to hear the concerns of the participants, I used focussed questioning to stimulate them to go into the subject more deeply. In so doing, I profited both from my knowledge of ICT and my position as a manager. On the one hand, I could give something of myself in the interview, while on the other hand, the necessary social distance could more easily be preserved (Sennett, 2004: 37-38).

The interviews lasted for an hour. The interviews with the SPM participants were recorded and I took notes at the same time. When the recordings were typed out, I compared them with my notes to see whether other important aspects covered in the interviews still had to be added, and to be sure that the notes reflected the actual content of the interviews as much as possible, including the non-verbal information. The findings of the SPM were enriched by the information gathered from the interviews, but this information did not change important insights or add new insights to the outcomes of the SPM. The interviews only deepened the SPM outcomes by adding a personal, more intimate view of the research subject. It was my own curiosity which led me to do more 'digging' in the interviews, but in my opinion they were not really necessary for the quality of the research.

## 4.6 Searching for generality

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To determine whether the findings of the SPM and interviews could be extrapolated to other groups, I decided to do similar interviews with a larger group of technical ICT staff members. I searched for a professional group in the SVB that would meet my

requirements. Among others, Giarte and Morgan Chambers (2008: 79) report that the more technical an ICT occupation is, such as infrastructure management, the more likely it is to be outsourced, because less specific business knowledge is involved. I concluded therefore that the ICT specialists in the data centre would be suitable for my goal, not least because these ICT professionals are fairly comparable to application developers. Firstly, both develop and maintain ICT components; the one, application software and the other, middleware and hardware configuration. Secondly, both act at approximately the same knowledge level in the organization, namely the higher educational level. Thirdly, both professionals perform technical ICT tasks, therefore both are vulnerable to outsourcing. My assumption was strengthened by the fact that in 2001 this group experienced the outsourcing of the mainframe activities, which affected their direct colleagues. If there was going to be anxiety about loss of employment anywhere in the SVB, it would be among the ICT specialists in this part of the ICT division.

In the 24 interviews with the reference group, only minutes were taken by the interviewer. The qualitative and quantitative data gathered from the interviews were used to enrich the outcomes of the SPM (see for the quantitative data Appendix 3). In my experience, the interviewees spoke more freely in the absence of a tape recorder, than in its presence, and this has also been mentioned by Collier and Collier (1986: 105-106).

I used the same questions in these interviews as I had used with the application developers. The ICT specialists approved the use of the data gathered in my research and were very open to me. I felt no apprehension or diffidence on the part of the interviewees in giving answers from the heart to my questions. The interviews confirmed the outcomes of the initial SPM and interviews with the application developers, thereby proving the generality of the data.

In studying the recordings and the minutes of the interviews with the application developers, I discovered an aspect which was present, but which I had overlooked several times, namely the role and influence of management in the perception of outsourcing by the ICT staff. In the last round of interviews I added a question regarding this, and the information gathered confirmed that it was an important aspect.



# 5 The case study

This chapter will give insight into the findings from the empirical research data. The sparse quantitative data is mainly used for the purpose of comparison with former research outcomes. The rich qualitative data was gathered from a Social Photo Matrix (SPM) workshop, a reflection workshop and interviews with the SPM participants and a reference group of ICT specialists. The presentation of the empirical data is itemized using the facets 'work', 'product', 'the other' and 'the self', and then analysed in order to be able to draw conclusions for use in the further research process. The case study outcomes make it clear that the participants experience pressure relating to bureaucratic procedures and managerial control. The outcomes also lead to the conclusion that the ICT professional is seemingly rather ignorant of the potential consequences of the constant threat of outsourcing. This is substantiated by the interviews performed with the participants of the workshops and is further substantiated and generalized by interviews with a representative reference group. The case study also reveals that the participants repress the urge to develop their own potential and surrender to the labour condition advantages of the in-house non-profit situation in the SVB. The SPM revealed further hidden information about the feelings of the participants concerning their experiences in the organizational environment, especially regarding management. This leads to the preliminary conclusion that the participants have a special relationship with the in-house situation in which they are working, which evokes social psychological reactions to threatening phenomena like outsourcing.

## 5.1 Introduction

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Although this research is mainly qualitative, for reasons of completeness and to allow comparison with the outcomes of other similar research, however scarce, the quantitative results of this research are also briefly discussed.

### 5.1.1 Quantitative results

The quantitative outcomes of the empirical data collection, which consisted of an SPM workshop, an SPM reflection workshop and interviews with the participants of the workshops and with a reference group, are only based on the interviews and are represented in Appendix 3. All of the ICT professionals who attended were familiar with the phenomenon of outsourcing, completely understood what it was, and were aware of the possible consequences for them and the organization. There are a couple

of conspicuous outcomes from the different data tables presented in the Appendix. Firstly, 76 per cent of the participants perceive outsourcing as negative for themselves. This corresponds with the data from a survey conducted by Khosrowpour et al. (1996) on this subject. Secondly, an even greater number, 82 per cent, consider outsourcing to be negative for the organization. Remarkably, this percentage is considerably higher than and contrary to the outcomes of the research carried out by Khosrowpour et al. (1996) on the same issue. In this instance, 74 per cent of respondents considered outsourcing to be an appropriate business decision. In my opinion, two factors play a role here. Firstly, Khosrowpour et al. (1996) surveyed a thousand ICT professionals in the USA, where the capitalist paradigm and the accompanying liberal market approach are customary and employees are used to this market approach by employers. The capitalist market is still less liberal in Europe with an effect on the perception of the employees. Secondly, this survey was performed over a decade ago, when the consequences of outsourcing were not so widely known as they are now.

Some other remarkable outcomes were that 97 per cent of the participants felt positive about the in-house situation, and 85 per cent have worked at the SVB for more than ten years. When asked about managerial actions concerning outsourcing, 83 per cent mentioned some form of transparency or communication. This last point also substantiates the aforementioned American research, where communication about outsourcing by the management was preferred by 67 per cent of respondents. The higher figure in the present research compared to the older research, can in my opinion be partly attributed to the fact that a majority of respondents in the older research felt that outsourcing was an appropriate business decision, thereby implying that it was considered by the majority to be a normal management activity. Other significant results from the quantitative data are that 'only' 39 per cent of participants considered ICT as their passion; for 67 per cent ICT was their second choice of profession; and only 9 per cent had a higher education in ICT, meaning a completed polytechnic or university education. Finally, only 3 per cent of the total group considered outsourcing to be something positive for themselves.

### 5.1.2 Qualitative results

It was important for the quality of the material to maintain the integrity of the stories told by the ICT professionals, and prevent them from being manipulated into agreeing with the research hypothesis. Therefore there were no explicit directions given regarding the concept of ICT outsourcing during the SPM, in order that the subjects would talk freely about what they considered to be important in their working lives. There was also no explicit direction given later during the interviews. I only questioned the subjects further on ICT outsourcing if they brought it up first, and I was careful to do so in a neutral way so that they would tell their story in their way, rather than telling the story I wanted to hear. This approach delivered rich, multi-faceted data.

## 5.2 SPM photographs

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The photographs presented in this section were used as intermediaries in the SPM workshops to help reveal potentially present, but hidden information. The photographs were randomly selected from a series of approximately 70 photographs produced by the participants of the two workshops. In this case, random selection meant that a system was used which guaranteed that at least one photograph of each participant was selected. A total of only 13 photographs was chosen because of time restrictions. The SPM and reflection workshops each ran for two hours, with a limit of ten minutes for the treatment of each photograph. One of the photographs did not produce information valid for use in the research, so there are only 12 photographs presented in this chapter. The photographs are described below, and each is given a title that refers to the picture, as an aid for the reader.

### 5.2.1 Pile of books

This photograph was taken inside the SVB building and shows a pile of programming guides on the windowsill of a working room. These guides are used by application developers in the course of their work. The photograph only presents the books used for working in the Java environment.



### 5.2.2 Obsolete mice

The photograph shows a hatstand covered with obsolete computer mice. The photograph is taken in the part of the SVB building which houses the professionals responsible for the repair and replacement of hardware.



### 5.2.3 Mobile devices

This photograph shows mobile communication devices lying on a desk in the SVB building. What is remarkable is that the presented devices are, under normal standards, rather obsolete, almost technological 'antiques'. Another eye-catching aspect is the deliberate positioning of the devices and the opened calendar.



#### 5.2.4 Two trams

This photograph is taken outside the SVB building, across the street from the front of the building. The tram stop is there, and it is the end and start of the line for tram 5 to inner city Amsterdam. Many SVB employees come to work on this tram.



### 5.2.5 Coffee corner

The SVB building is semi-circular in shape, and within it, the company restaurant resembles a two-floor glass tower. The second floor is built like a gallery with a balustrade, and a very little part of this can be seen on the left-hand side of the photograph, which looks down on the restaurant. This photograph shows the coffee corner on this gallery, a place where people are supposed to get their coffee and have a chat with their colleagues. There is a table to lean on and two bins, one for rubbish and one for collecting the plastic cups used in the machine. The window looks out onto the public area outside the building, which is panopticon-shaped<sup>54</sup>.



<sup>54</sup> A 'panopticon' is a prison built in a circular form with a control tower in the middle. This architecture represents the optimal control of supervisors over their subordinates. The concept was designed by the English philosopher and social theorist Jeremy Bentham in 1785 and explicitly reused by Michel Foucault in his book *Discipline & Punish*, in which he writes about Bentham's Panopticon: "We know the principle on which it was based: at the periphery, an annular building; at the centre, a tower; this tower is pierced with wide windows that open to the inner side of the ring; the peripheric building is divided into cells, each of which extends the whole width of the building; they have two windows, one on the inside, corresponding to the windows of the tower; the other, on the outside, allows the light to cross the cell from one end to the other. All that is needed, then, is to place a supervisor in a central tower and to shut up in each cell a madman, a patient, a condemned man, a worker or a schoolboy" (Foucault, 1995: 200).



### 5.2.6 Empty corridor

This is a typical corridor in the interior of the SVB building. Along the corridor there are numerous doors, most of which open into work rooms of various sizes. Some doors give entrance to staircases that lead to other floors. Most of the building consists of this sort of architecture. The walls of the corridor are metal and people use little round magnets to hang posters or other items on the wall to customize their working area. The rooms of the secretary and managers of the department are located at the end of the hall in this photograph, where the trail of lights 'leads' to.





### 5.2.7 Empty room

The photograph shows a typical SVB working room in an ICT department, in this case the system development department. The room looks out towards the inner space of the panopticon-shaped SVB building, and the glass tower of the company restaurant is seen through the window on the left.



### 5.2.8 Iron bars

This photograph is taken in the bicycle enclosure looking out towards the entrance of the car park in the basement of the SVB building. The bicycle enclosure is a separate area in the basement, closed off from the car park and locked with iron bars. What is striking in this photograph, of course, is the resemblance to a prison, a frightening combination with the panopticon shape of the SVB building. It is a remarkable view, looking through the iron bars at the only escape out of the basement into the fresh air.



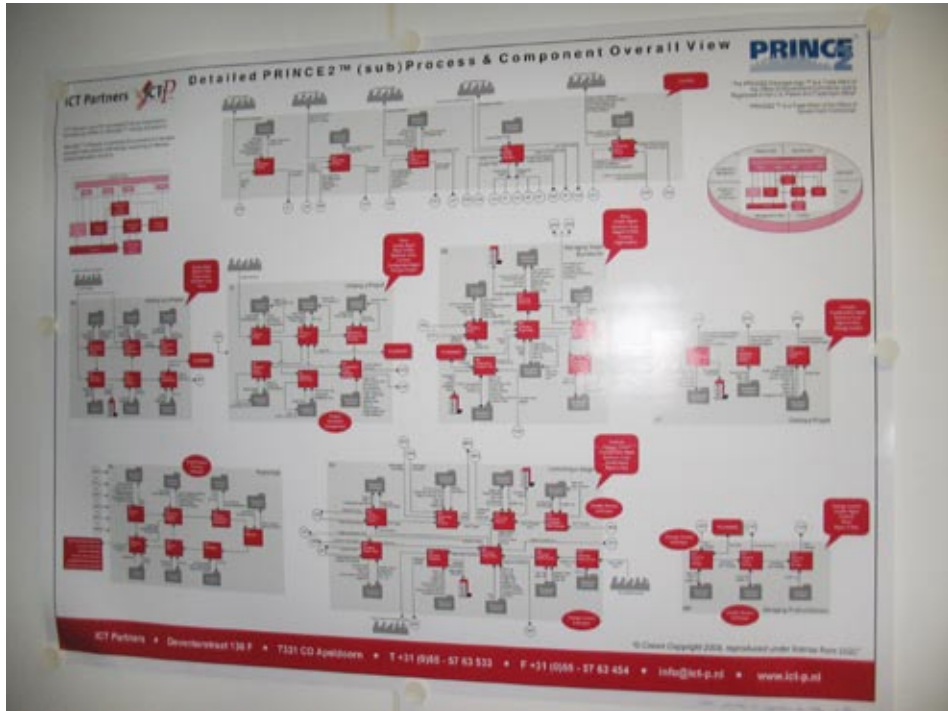
### 5.2.9 Social wall

The words 'Sociale Verzekeringsbank' appear on a wall which looks partly into the inner circle of the 'panopticon' and partly out into the public area. The photographer has only photographed the word 'Sociale'. The matrix structure behind the word also stands out, and it is worth noting that this matrix is repeated across the whole structure of the large building.



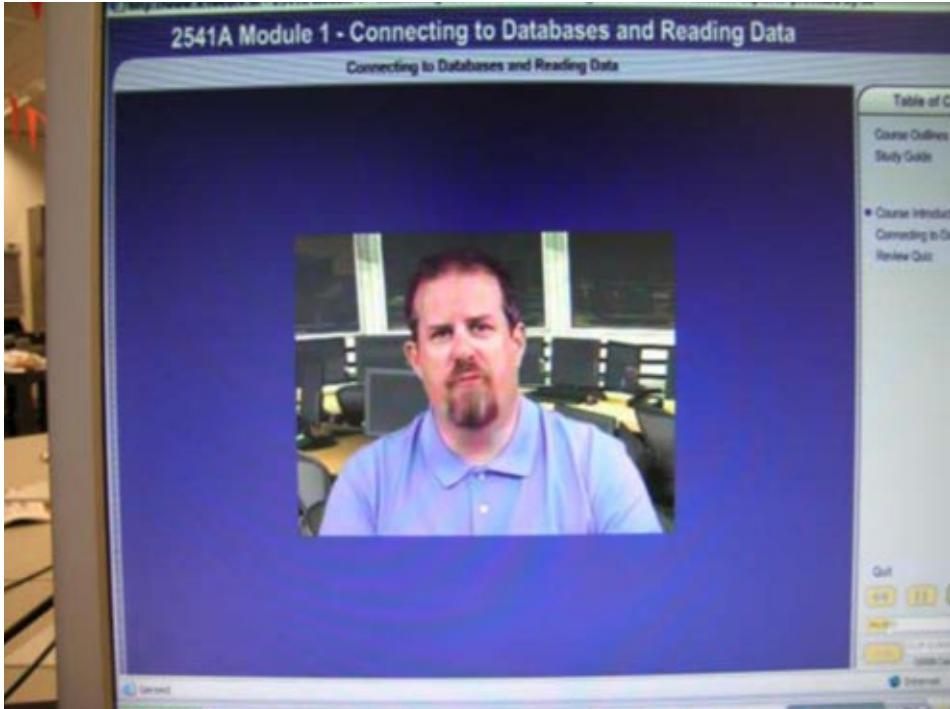
### 5.2.10 Prince2

This is a photograph of a poster of the Prince2 process (see Appendix 1), hanging on a wall in the part of the SVB building where the ICT division is located.



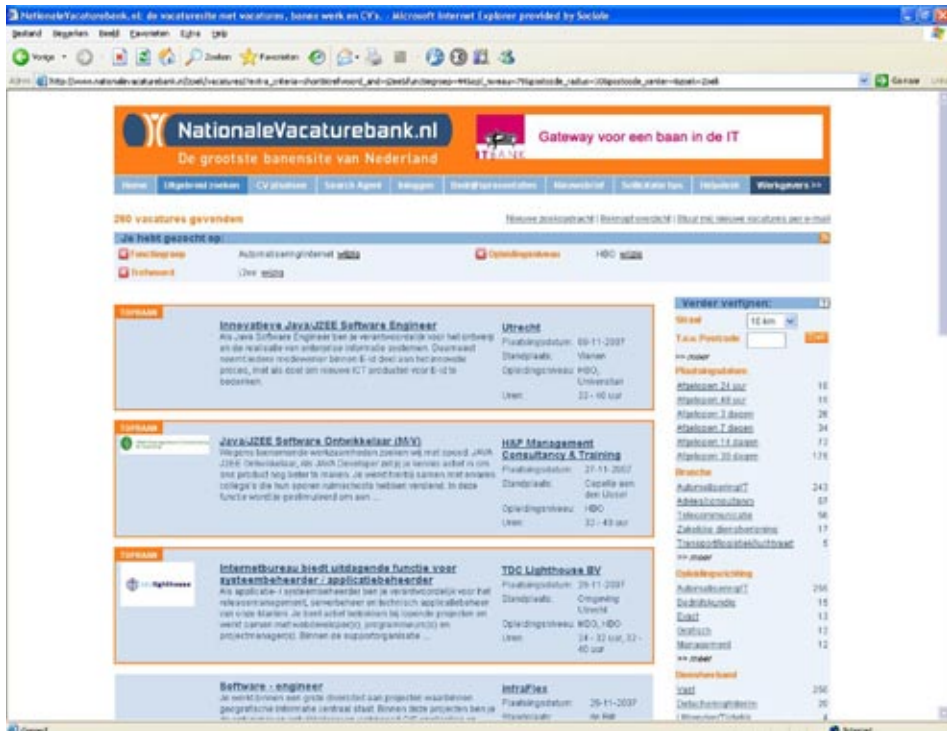
### 5.2.11 Bob Ross

This photograph shows a PC monitor with an educational programme running on the PC. In this case it is a technical educational ICT module, module 1, which is presented by a tutor.



### 5.2.12 Job site

This photograph presents a PC-screen with ‘the largest job site in the Netherlands’ on it, showing the jobs available in a certain profession in a certain area.



These photographs delivered a large amount of unstructured, deep information, which, together with the data from the interviews, was unmanageable in quantity. It would have to be structured in some way to make it both usable for the research and simple to present in this document.

In the following section, the conclusions of the photo workshop, the reflection workshop and the interviews are structured, presented and analysed in the context of the research.



## 5.3 The analysis of the data

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The aim in the following is to detect what the different participants have to say about the work they perform, the products they produce, their relationships to the other, and their self-fulfilment as human beings. In the following section I refer to the latter aspect as ‘the self’.

### 5.3.1 Work

Normally, the in-house technical ICT professional works together with other similar professionals at similar tasks in hierarchical organizational units, under the supervision of a line manager. This clean structure, aimed at the most efficient production, is the expression of the contemporary organization’s intention to make efficacious use of the division of labour. Organizational structure is strongly related to the division of labour; one can almost say they have a mutual amplifying effect, creating an ongoing sub-dividing of businesses into various specialities, departments and functions in the search for the most efficient way to perform the organizational activities (Watson, 2006: 153).

Part of the work time of the ICT professionals is taken up with work on one or more projects. They work in multidisciplinary teams to reach a concrete result within a particular time frame. These teams are supervised by a project manager, whose primary focus is the achievement of these results.

The photograph ‘Prince2’ shows a poster of the Prince2 process (see Appendix 1), hanging on a wall in the part of the SVB building where the ICT division is located. The following comments present important views on this photograph regarding the aspect of ‘work’.

#### **Quotation 1 from ‘Prince2’**

*John: “They don’t take me seriously, they don’t take me seriously.”*

*Sam: “It is an obstacle.”*

*Mary: “Impediments.”*

*Daniel: “Maybe also an impediment in the creativity and a feeling of control.”*

*Mary: “Yes, yes.”*

*Daniel: “For CMM<sup>55</sup>, everything must go according to the rules and if you don’t stick to the rules then the project does not get an approval, because you haven’t done enough reviews or you had to attend weekly team meetings.”*

*Paul: “I also see it as a fashion and as not being able to think for yourself.”*

*Tina: “Yes.”*

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<sup>55</sup> Capability Maturity Model: a model that generates information about the maturity of a company considering certain business processes, with the aim of improving business quality.

**Quotation 2 from 'Prince2'**

*Daniel: "Many of those things, like Prince2, CMM, must also be a tool to structure your work with in one way or another. But it seems that they [management] don't know how it must be done, it seems that they introduce it as an end, just as a way to work according to, and not a means to structure your work with and take the best out of it. No, this is how you must do it and how we are going to do it. That counts surely for Prince2, we have heard that a short while ago in the awareness session. To me this is only applicable in huge projects, in other cases you must cherry pick what you can use, and surely not implement it to the letter."*

*Sam: "I think in the SVB we have a talent for implementing these things in this way and not learning from others. CMM is just going to be implemented while internationally it is already known that you are better off changing things in such a way that it is [actually] CMMi<sup>56</sup> that is implemented. No..., we rigidly implemented CMM, I find that a rather interesting choice at that moment. And considering Prince2, I expect something similar, that there is no assessment done of the environment, like in other companies, asking things like: guys, did you choose it and what went right and what went wrong? But no, we ourselves bump into the same things again."*

**Quotation 3 from 'Prince2'**

*Nick: "I believe that it is also an appearance, these kinds of procedures, of security or something. That, apparently, also is invented by above [management] and by others [external consultants], it is some kind of trend, that they have invented some kind of trick. Well okay, there are some good aspects in it, but it is also: it gives a certain feeling of security."*

*Tina: "Appearances ...."*

*Nick: "Because in the end the workers just have to do it themselves."*

*John: "Who has decided that we suddenly [have to use] Prince2..., where does it come from? It doesn't come from below [work floor], but from above [management and higher]."*

*Paul: "Definitely not from the work floor, that is clear."*

*John: "Does it come from the ministry? We are an administrative organization. I mean that we can't choose these things to do ourselves, but sometimes these things are forced upon us: you must work according to Prince2."*

*Paul: "It's just a fashion."*

*Mary: "It is a kind of trend."*

**Quotation 4 from 'Prince2'**

*Sam: "I always have the impression that all these kinds of ideas [standardization] are being implemented to make you quantifiable, a figure comes out of it."*

**Quotation 5 from 'Prince2'**

*Paul: "I have the impression that this is done to employ external consultants."*

*Laughter.*

<sup>56</sup> A further developed version of CMM.



Nick: "Well, that is in itself surely a nice one, that is the outer world, but they of course also come, those consultants also have benefits from it because these things, organization advice bureaus, Berenschot, you name 'm all, they, all of them, of course have advice lying in their desk drawers which they, at this or that company...."

Paul: "They probably already have the next one ready, in about five years the SVB can have that one, than they have another 5 years."

Nick: "Yes, how does the Prince [Prince2] wind blow after 10 years? Then again there blows another wind over here, thus also certain trends."

Sam: "But it doesn't take five years anymore, it seems like they succeed faster and faster."

Paul: "Then they can make more profit at our company...."

Ben: "But I think it is very close to reorganization. We are going to try to do it in another way, because, likely, it can be done better. Whatever you choose, there is always a disadvantage you can't solve. The disadvantage comes from another angle, so for a little while they make the people that were unhappy, happy and other people unhappy, and after five years you make another plan, then again you are going to reorganize."

Paul: "That is why nobody is taking it seriously, I think."

Ben: "No, I don't take it seriously, no."

Paul: "Because you have already had CMM rolled over you, before that you undoubtedly had something else rolled over you, you have ITIL, you have this, you have that, at a certain moment you have... You all do what pleases them, I will goody-goody fill in my statistics, that you need, if you want me to."

John: "Especially CMM, it has a lot of emotional attention in the organization you know, CMMi."

Paul: "Yes, but if it [CMM] is really that good, why must there be a new version of it [CMMi], apparently there is something not good with it."

John: "No, there is something positive expressed, finally we are counting, you are doing good, very good, but you must do better."

Edward: "Yes, but after all that is a good starting point."

Sam: "CMM has not particularly contributed to the employee satisfaction within...."

Tina: "Definitely not."

Sam: "I think...."

Edward: "It is a management responsibility in the end, they have to care that it is qualitatively well-led, that it is completely implemented."

Paul: "Yes but, the little statistics will tell us nothing else but the conclusion that it works. Because before, you did not have the information, how many hours reviews differ in production, so now CMM can say, yes look, this has differed so much in production, so eh..., CMM is terrific." [The last quotation of Paul is clearly cynically meant.]

There are many procedures in the workplace, which increases bureaucracy, resulting in constraints concerning freedom and creativity. The in-house ICT professionals in the case study expressed their reluctance about these procedures and constraints which are the result of standardization and efficiency measures. This even went so far

as to be expressed as a form of suspicion: are these procedures there because of the predicted benefits or for the management's control purposes? They even suspect the management of exerting continual control over their work processes, manipulating them and confusing them constantly by introducing new procedures and requirements in the work process. The participants don't understand this and they have no tolerance for it, as illustrated in the following from the interview with Mary: *"Why does my manager have to know what I am doing? It is just like control, I think that I myself am fully responsible for what I am doing. I stand for my work, don't I?"*

The employees suspect that the managers ("the exploiters auxiliaries [the managers]" (Althusser, 2001: 89)) are constantly calculating productivity in the work process, to see if they are doing a good job.

This is not so strange, considering the discussion in the foregoing chapters about the organizational aims which emphasize this attitude. It is evident from the data that the employees are not ignorant about this aspect; on the contrary the data is full of quotations on the subject. An example is the following association Sam made with the photograph 'Prince2' (Quotation 4): *"I always have the impression that all these kinds of ideas are being implemented to make you quantifiable, a figure comes out of it."* This is a sign of distrust in management, which confirms the findings of writers like Khosrowpour et al. (1996: 93), who conclude that the employee often perceives a 'plot' in the practices of management.

The participants believe that procedures have become a means of increasing productivity and distracting the attention of the workers, that for management, it is almost becoming an end in itself. Some participants expressed negative thoughts about this management behaviour, for example: *"Don't be a nuisance to me, don't bother me and my work, don't get in my way."* At the same time, they have clear expectations concerning a better relationship between management and workers: *"Together.";* *"Show interest in the employees, commitment.";* *"Know what the people do.";* *"Care for the people, be friendly."*

Also addressed was the use of external *"expensive consultants"* by management to penetrate the work environment and substantiate and 'sell' difficult decisions. This leads to a sense of resignation among the in-house staff concerning all of the procedures, structure and constraints in their work. Overall, it results in a feeling of powerlessness and distrust and the opinion that management shirks their responsibilities, clinging on to security measures and hiding behind procedures.

Asked in the interviews about the aspects which most concern them in relation to the in-house situation versus the external ICT environment of the SVB, they all stated that these things are much worse in a commercial environment. In the reference group, they expressed it as follows: *"In the external companies, you live for the customer's requirements."* Rather normal, according to Adam Smith "All for ourselves and nothing

for other people, seems in every age of the world, to have been the vile maxim of the masters of mankind” (Smith, 2003: 525). The tone of the discussion about the commercial world penetrating the SVB tends to be somewhat cynical, with participants expressing their dislike of these developments. In their words, one can conclude, they see the SVB, a non-profit company, as a victim of the commercial world and therefore still not as bad as the dominant commercial world. In most cases, as a result of outsourcing they will be transferred into this world.

The photograph ‘Iron bars’ shows the environment of the bicycle stall in the basement of the SVB building where the car park is located. The bicycle enclosure is a separate area in the basement, closed off from the car park and locked with iron bars. The following comments present important views on this photograph regarding the aspect of ‘work’.

**Quotation 1 from ‘Iron bars’**

Nick: *“Am I imprisoned here?”*

Mary: *“Imprisoned?”*

Nick: *“Am I in a prison here!?”*

Mary: *“Yes, yes, that is it!”*

**Quotation 2 from ‘Iron bars’**

Paul: *“To me it is all about the constraints you have here, and concerning that, it is not a super photograph, but I could not find anything better. How you perform your work here, all the times your firewall prevents you from getting the files you need inside, the effort you have to exert to get certain software tools inside, and that kind of thing. You feel that you’re trapped in a web through which you can’t perform your work at a sufficient level.”*

John: *“But who is responsible for this, who is responsible for those boundaries?”*

Paul: *“Yes..., they are imposed.”*

John: *“By whom?”*

Sam: *“Because of different factors.”*

Tina: *“In the end by your employer.”*

Paul: *“Yes, by your employer, but because of different factors. Look, on the one side, you have to deal with [constraints of] your own department, but on the other side, also with SVB-wide policy which obstructs all those things.”*

Daniel: *“But is that also not just something that is in development, that in the course of time is becoming clearer and clearer what you need and don’t need to perform your work in the right way?”*

Paul: *“No, because Java is also already in development. Java is also already in development, and sometimes you really get the impression here that it is an inverse Fort Knox. I mean, you just try to get something in from the outside via the internet, that is extremely secure. Before a tiny little file comes to you, it has passed a firewall, a spy web scanner, a virus scanner and on your own pc another virus scanner, and.... I think the army is less secure!”*

Nick: *"It is apparently like this: as a company you want something, but not really all the way."*

Paul: *"Dealt with in an extreme way, as you say."*

Nick: *"Yes, yes, you want something, but not really all the way. We are still a little bit afraid of the outside world, just a little too much."*

Sam: *"The bicycle garage is a rather good example of that. I considered the bicycle garage, where all the bicycles are imprisoned, also as a paranoid image of..., is there somewhere a chronicle bicycle thief that has an eye on the bicycles of the SVB, or are those bicycles a danger for society and that this is the reason why they have to be locked up during daytime."*

### **Quotation 3 from 'Iron bars'**

Tina: *"Frustration!"*

Paul: *"Yes, frustration!"*

John: *"I don't feel free!"*

Daniel: *"But can you do it differently, you manage 4.5 million customers with all their data."*

Paul: *"As I see it, you can say it differently, I think it is totally absurd how it is organized over here. But well, that does not say that everybody has to agree with that. I think that...."*

Tina: *"What of course is the problem, is that they treat everybody the same over here, while...."*

Paul: *"Rightly, in my opinion an ICT professional can be considered to be more trustworthy with computers and the internet than a normal employee, because I hope that if you work in ICT you are more able to see the dangers, and that sort of thing, of the internet."*

### **Quotation 4 from 'Iron bars'**

Sam: *"Actually the result of..., ICT is a creative profession, it is a technical profession, but it is also creative. And the moment that you burden a lot of constraints on creative people, in all areas, they will feel less and less comfortable."*

Nick: *"You also take a part of the responsibility from them."*

Sam: *"Yes that is that part of the responsibility that they are very happy to take."*

John: *"Sometimes I have the feeling that the employer or the manager thinks: I take the full control. So he can make you obsolete any time. It is this aspect, that you do your work like anybody else can do, you're nothing special. The manager has all the controls and it is clear [to the management] what you can and cannot do. They can replace you with anybody any time, that is the feeling they want to have."*

Mary: *"I feel security [constraints], on the other hand, our customers must be protected."*

Paul: *"But it is not utterly all about our customers here."*

Mary: *"No, I speak about a feeling."*

Paul: *"Right!"*

Mary: *"So I leave my bicycle here and I don't need to think about if it's going to be nicked or not anymore, I am going to do my work in peace."*

Ben: *"How much does the SVB tell its employees, what are they allowed to hear?"*

Paul: *"Hardly anything!"*

Ben: *"For the security, etcetera. I can imagine that you don't want any break-ins, but if you are*

*inside and you belong inside, and you are obstructed from doing the things that you want to do and must do!?”*

*Sam: “Going outside is the real problem, you can’t go outside.”*

*Ben: “It’s the trust of the SVB that is missing.”*

### **Quotation 5 from ‘Iron bars’**

*Paul: “Don’t forget what the revolving door reports. If you roam through the corridors, then the registration about that on the revolving door reports is ample.”*

The in-house ICT professionals consider the technical security constraints in their work environment to be exaggerated and the result of some sort of management anxiety. According to the participants, this results in a lack of innovation and extreme security measures in their work. The technical ICT professional needs some room for freedom and creativity and therefore thinks that s/he must be allowed to do more than other staff members. In line with this attitude, they expressed an aversion to procedures and structure. Questions were raised as to whether these procedures were intended for control purposes, but control by whom: management? They were sure, however, that it restricts creativity in the work process and thereby affects the possibilities for self-fulfilment in their work.

In the discussion about the photograph ‘Iron bars’ (Quotation 4), John even linked this to the possibility of the decision to outsource when he stated: *“Sometimes I have the feeling that the employer or the manager thinks: I take full control. So he can make you obsolete any time. It is this aspect, that you do your work like anybody else can do, that you’re nothing special. The manager has all the control and it is clear [to the management] what you can and cannot do. They can replace you with anybody any time, that is the feeling they want to have.”*

The participants think that the management have a form of distrust in the ICT professionals, resulting in despair for the professionals and the absurd diversionary tactics of the management. The ‘Iron bars’ photograph, as well as the explanation of it, represent the despair of the worker at not being free and at being treated as untrustworthy, not being able to think for themselves. A form of sheer paternalism, according to the participants, has resulted in exaggerated security measures. In this photograph the resemblance with the ‘iron cage’ of Max Weber (2007: 123) comes out. In the need for material goods, the contemporary worker must continue to work in an environment that encloses him/her more and more, to the point of suffocation. It is not only the suffocating technical constraints that bother them, but also the distrust and control of the company, impersonalized by the management layer. Once again, the distance between the worker and the manager is emphasized in this explanation, this time more in the hierarchical sense, with the feeling that there is more that they do not know and are not allowed to know. In referring to this in the interviews, participants

asked the management for *“Informality.”*; *“Openness.”*; *“Accessibility.”*; *“Be honest and clear.”* Concerning these aspects, the participants are sure that things are no better in a commercial environment. They feel it must be even worse, because they are convinced that at least in the SVB the environment in which the control activity is performed is rather secure, meaning that the results aren’t very threatening for them. In this context they said about the in-house situation: *“It [the in-house situation] gives you ease of mind.”*; *“You don’t have to prove every time that you can do a good job.”* About the commercial environment they said: *“A commercial environment means high job requirements.”*; *“A cold working environment.”*; *“Working day and night, and tomorrow you can be dismissed.”*

The photograph ‘Bob Ross’ addresses new learning in ICT, which is increasingly becoming standard practice in the SVB. Constant learning is inevitable in ICT employment, and the advantage of the in-house situation (also in the SVB) was that education facilities, especially with regard to time, were better than in other, commercial environments. Due to competition, the tendency nowadays is for organizations (including the SVB) to cut those in-house facilities with the aim of making them cheaper and more flexible, with maximum management control. The following comments present important views on this photograph regarding the aspect of ‘work’.

### **Quotation 1 from ‘Bob Ross’**

*Nick: “How do you feel about this actually?”*

*Ben: “It could not be more offensive. They [management] have chosen this because it’s possible to register how often you watch this fellow, and for how many hours. Then my manager can do something with this information if he wants to. Like, oh, he watched Bob Ross for five hours this week. There is no control on what I really have done of course, if I made some coffee in the meantime for instance, or if I really have watched it. I have just had Bob Ross on my computer for that long, and I was connected with it for that long, well, at least my computer of course.”*

*John: “What do you need that control for?”*

*Ben: “I don’t need that control, my manager considers this as added value.”*

*Daniel: “Your employer needs this?”*

*Ben: “That’s nice, they check at my work if the employees are studying and what their progress is, ‘oh they arrived at module 2, very good’.”*

*John: “That says something about our bosses, not about you.”*

*Ben: “No, that is true.”*

...

*Mary: “Did you have to? You could not choose?”*

*Ben: “No, I could not choose.”*

Again there is the combination of efficiency and control, and again management is addressed as ‘them’, the representatives of the company. But in this excerpt from the

conversation, reference is made to the possibilities for the employee to ‘play’ with the situation and to evade the control activities, or at least cheat on them by pretending to be productive. They consider this to be a good side effect of being in an in-house situation, and believe that it’s easier to keep up appearances in an in-house situation than in a commercial environment. In the interviews, one of them expressed this sentiment as follows: *“I have a good life here and there is no work pressure, why should I go?”* By contrast, some of the participants said about the commercial situation: *“The macho behaviour in commercial situations creates a hard atmosphere, every time you have to prove yourself.”* This photograph shows that the ICT professionals are capable of deceiving management, to somehow avoid managerial control.

The photograph ‘Pile of books’ in the SPM shows a pile of programming guides used by application developers in the course of their work. The following comments present important views on this photograph regarding the aspect of ‘work’.

**Quotation 1 from ‘Pile of books’**

*Paul: “Yes, the speed of the development, of the techniques where you are in....”*

*Sam: “Learning is nice, but....”*

*John: “I still think that it is a nice inducement to look outside and then you see the books and then you see red,<sup>57</sup> with red you jump.”*

*Sam: “Now I know what the pile on your desk is for.”*

*Laughter.*

*Paul: “But the complete certification, you know that by heart, don’t you?”*

*John: “Yes of course, but well, that doesn’t say that you want your eyes to get a sort of RSI.<sup>58</sup> Then you really have to look outside or to something different..., oh God, Java, oh yes, I have to do something!”*

In the discussion on the ‘Pile of books’ photograph, they almost lamented the constant learning required in the profession, referring to the amount of knowledge that is necessary to succeed and to cope with the speed of technological change and innovation. The result for system developers is that new development environments occur and disappear so fast that it’s difficult to know in which one to invest, so the result is also uncertainty about what gives the best perspective. Next, many of the participants were concerned about the pressure of rapid technological evolution and the tendency towards educational certifications in the ICT profession. There is relative respite from this in the in-house situation, because for most of the automation, new ICT developments are only introduced once in a while due to the large investment involved.

<sup>57</sup> The producers of the new technical ICT books about Java, in this case, used red as the cover colour.

<sup>58</sup> Repetitive Strain Injury is an injury of the musculoskeletal and nervous system that may be caused by repetitive tasks, forceful exertions, vibrations, mechanical compression (pressing against hard surfaces), or sustained or awkward positions. RSI is often related to stressful working environments and associated with ICT.



But in the commercial world, especially in the world of external service providers who have to deal with many customers and therefore with many environments, ICT professionals too have to deal with many environments and they have to adapt to rapidly in order to stay billable. Or, as the interviewees expressed it: *“Commercial means braggart and no content, making hours, be billable, that is the device.”* Others said: *“I am conservative.”*; *“I don’t want new challenges.”*

The photograph ‘Mobile devices’ shows rather obsolete mobile communication devices positioned in a presentable way. The following comments present important views on this photograph regarding the aspect of ‘work’.

### **Quotation 1 from ‘Mobile devices’**

*Mary: “For me it is like, the other is always mobile accessible, always available. You must always be on call, nothing else. Agenda, pressure, just stress.”*

*John: “Just to possess the ‘machine’. Just to have it is pressure that also produces pressure, hey?”*

### **Quotation 2 from ‘Mobile devices’**

*John: “In my opinion if they need you, they must let you know that they want you to be on standby.”*

*Daniel: “There is a difference between the inner world and the outer world, the latter being working for a commercial company and on secondment. Then you must be mobile accessible, because you are expected to attend meetings in the evening hours and so on, and the urge for mobile accessibility is much larger then.... Here it is not. This also leads to a 24 hour economy which we totally do not fancy, me also.”*

*Paul: “But that is the reason, so to say, accessibility must come from inside.”*

*Daniel: “No, that comes from my employment, from my employer when I worked in the commercial world of being in secondment, that is being mobile accessible.”*

*Paul: “Yes, but okay, that is the case with you, but a lot of people always have a mobile phone with them, those people can’t do without one. While the work won’t call them, but they just want their parents to be able to reach them for instance. Whereas previously you also did not have the possibility, nowadays it is just common that everybody has a mobile phone.”*

*Daniel: “Back to the work-related, the accessibility of the in-house ICT professional. I haven’t had my mobile on for weeks, and I don’t miss it either.”*

*Nick: “How does that feel?”*

*Daniel: “Very relaxed!”*

### **Quotation 3 from ‘Mobile devices’**

*Nick: “The difficulty is however, more or less, if we are also cooperating more with more companies, it is the question whether you can maintain that situation. It can also become a field of tension for the in-house ICT professional, we are increasingly going to cooperate in chains, can one maintain this if things in the cooperation in these chains are failing?”*



*Sam: "We certainly often expect accessibility of those we cooperate with."*

*Nick: "Yes, but then you must be able to of course."*

*John: "Then you have agreements. [Such as formal service level agreements (SLA<sup>59</sup>).]"*

#### **Quotation 4 from 'Mobile devices'**

*Daniel: "But I am also accessible when I go to work, I have a telephone on my desk."*

*Sam: "Yes, of course, but, look at Getronics<sup>60</sup> for instance. In the situation that something can go wrong any time, then you expect you can reach them."*

*Paul: "But those are the agreements that you make!"*

*Daniel: "You make agreements about that, and apart from the agreements there is a general expectation that everybody is accessible. And as I see it, if you make special agreements about accessibility, that's okay by me, but not that everybody always must be accessible. That is certainly not okay with me."*

In relation to the photograph 'Mobile devices', they spoke about constant accessibility, work pressure, and the lack of separation between private life and work life.

It is clear that the participants like to have clear working day boundaries and they dislike disturbances by work in their private lives. The mobile telephone represents that disturbance for them, and they illustrate their dislike by making the link with working in a commercial environment. For instance, some of them addressed the in-house situation as "*Steadiness is nice, familiarity, just nice at the office, safety.*"; "*Good payment and relaxed work.*"; in contrast to the commercial environment as "*Commercial environment means long working days, hard culture, exploiting, no social life and no regularity.*"

The photograph 'Job site' presents a PC-screen with 'the largest job site in the Netherlands' on it, showing the jobs available in a certain profession in a certain area. The following comments present important views on this photograph regarding the aspect of 'work'.

#### **Quotation 1 from 'Job site'**

*Daniel: "But that [what the photograph represents] is about the in-house ICT professional, because within the software houses there is a turnover of 20 per cent per year or so."*

*Tina: "Maybe because of that reason then, because you yourself are not anymore...."*

*Paul: "Well yes, if you look how it is with us on the labour market, coming to the SVB, it is quite a fair amount and often the same reasons like you have, that you want to work nice, close to home, steady."*

*Daniel: "Known architecture, known platforms."*

...

<sup>59</sup> Service Level Agreement: the part of a service contract that formally defines the level of service between a customer and the supplier of that service.

<sup>60</sup> An old name of an ICT consultancy and data centre organization. The current name is KPN Getronics.

Nick: *"I know that a lot of software houses have difficulties in getting people. That if you have some skills in any way ...."*

Paul: *"People have, I think, quite enough of the travelling for software houses."*

Nick: *"That is, I think, the point. I know, for instance, Ordina<sup>61</sup>, I also heard that from Ordinesen, they really could not get any people, they really have such a...."*

John: *"But what kind of people are they looking for?"*

Nick: *"Ordinary people."*

*Talking through each other.*

Nick: *"They won't succeed, they won't succeed."*

The photograph 'Job site' triggered aspects such as the pressure in the labour market of getting the right people in the software houses. The participants have their own theory about it, and this likely represents their own preferences for steadiness with regard to the home-work travelling situation, they reflect upon the work involved in a secondment situation and they clearly show their dislike of it. This was explicitly confirmed in the interviews, with the following examples of representative expressions: *"Short and stable travelling times and steady location and group of people."* And with a very negative undertone: *"Commercial means every time a different place, work and colleagues, horrible.";* *"Every time to a new customer, being used, proving yourself capable, keeping your mouth shut, obey."*

### 5.3.2 Résumé of work

With respect to working conditions, the in-house ICT staff express negative feelings about the standardization developments in the SVB. They are convinced this affects the possibility for creativity in the performance of their work. The participants clearly do not take the use of procedures seriously and even show forms of avoidance. They obviously detest the elements of control within the procedures which evoke their distrust of the management. Another aspect of the procedures are the constraints in the form of security measures, and the participants consider this to have a serious negative impact on their working freedom, eliciting comparisons with prisons. These issues surrounding the work situation evoke feelings of resignation and avoidance in the ICT professionals.

Nevertheless, the participants show clear preference for the in-house situation over the commercial world outside. They specially appreciate the relaxed work and good conditions, such as good remuneration, travel time and a steady working place. The opportunity to form a bond with colleagues is important to them. The in-house ICT staff prefer separated home-work situations as much as possible; home is home where the children, friends and family are; work is work, where one forms bonds with colleagues and performs pleasant activities in a free working environment.

<sup>61</sup> Ordina is an ICT consultancy and data centre organization.

Although only a few participants have had experience in a commercial environment, they all seem to know what working in such a situation entails. They expressed disgust about the long working hours, lack of freedom, hard work and lack of social life. Some said literally that they consider the commercial environment to be a form of exploitation of the employee by the employer or the customer.

This perception of the working process results in apprehension about future developments and feelings of uncertainty about how long the in-house situation will endure and when they will encounter these commercial working conditions. They avoided the O(utsourcing)-word, accusing management of constantly looking for possibilities to measure their performance and collaborating with the commercial (advisors). Their relationship with management is rather ambivalent; on the one hand, characterized by distrust, demanding that management leave them alone and on the other hand, characterized by a quest for information, care and attention.

### 5.3.3 Product

The SVB's technical in-house ICT professionals produce different products. In some cases they make new software or new infrastructure configurations, but in most cases they maintain the existing ICT. In contemporary organizations, and also, as is shown, in the SVB, there is a fairly radical division of labour such that the technical ICT professional arose as an entity distinct from the functional designer, the information analyst, the ICT supporter, etcetera. The result is that the technical ICT professional, generally, only creates or maintains a part of the end product which can, for instance, be only a couple of statements that represent a complex part of an information system. Therefore, the products made by the developers cannot be easily recognized as a detached entity, and in most cases there aren't any end products with which the ICT professional can identify. The result is often that ICT professionals tend to associate themselves with the total ICT solution to which they made an often unrecognizable contribution. Often they associate themselves with favourite ICT products or tools and sometimes even the whole ICT profession.

The photograph 'Obsolete mice' shows a hatstand covered with computer mice. The following comments present important views on this photograph regarding the aspect of 'product'.

#### **Quotation 1 from 'Obsolete mice'**

*Daniel: "There is also an unpleasant development in it, such as a sort of throw-away society."*

*Nick: "Yes."*

*Daniel: "That is also happening with the HP 19 inch screens, those are offered for sale because they don't fall under the maintenance contract anymore, not because they are out of order or obsolete. And then you have to throw them away?"*

*Paul: "They still are performing just fine, I find it strange on the whole that the screen that I*

*have now is better than the screen that I will get, but it has to be turned in because the maintenance contract is expired?"*

*John: "Yes, but, that is something from outside and you also see it in all of society, that some eh..., they [the vendors] suddenly think of something that, yes, how are we going to force that company to buy something new, also if it isn't an improvement, it is all in the contract, or something."*

### **Quotation 2 from 'Obsolete mice'**

*Paul: "What regrettably also happens a lot is that it just is going to be destroyed, which you also see here [at the SVB]. Frequently you see computers and suchlike in that container in front of the SVB."*

*Nick: "And you think that it is going to be destroyed if it lies there in the container? Something is still being done with it afterwards."*

*Paul: "I know someone that has worked for a company like that, they have to destroy it with a hammer."*

*Nick: "Yes, but even the different parts, even if they have taken them apart, often it appears somewhere again, in Africa or somewhere else in the Third World."*

*Paul: "Yes, that is what companies are trying to prevent."*

*Sam: "Then it is selected from it again by the collectors, okay, but in the meantime you have destroyed something that was working fine, for nothing actually."*

Sam is expressing something of interest here, an anxiety about stopping something that is still performing well and about which he is convinced there is absolutely no reason for replacement. The reason for replacement, as stated in the quotation, is because of external commercial forces. It is very tempting here to consider the analogy with the outsourcing of ICT professionals. In this context it may also be a form of self-reification, the association of the destruction of ICT products with the feelings of the ICT professional of becoming obsolete, ready to be replaced by external commercial forces in the outsourcing process.

### **Quotation 3 from 'Obsolete mice'**

*Paul: "That you can do less about it."*

*Nick: "Incompetence!"*

*Edward: "That is how the world economy works."*

*Paul: "But that is surely wasteful."*

*Edward: "Only if it is responsibly cleaned. That's what it's all about according to me."*

*Nick: "Do we have the choice to do it differently? That is my question, or are we still just having things forced upon us from outside?"*

### **Quotation 4 from 'Obsolete mice'**

*Paul: "It is nice though, but yes, you hear everywhere in the world about problems with the environment and then we dispose of the computers of the SVB every 2/3 years and buy new*

ones. In other words far beyond necessary.”

John: “I will have peace of mind if this stuff is going to another country that doesn’t have this. Definitely not to China or Russia [offshoring locations]!”

### **Quotation 5 from ‘Obsolete mice’**

Sam: “Yes, but as a company you are also fooled. The fact that somewhere in the company there is a hat stand covered with computer mice, if you don’t use it then it is seemingly worthless for the company.”

Paul: “Furthermore you agree that you have a 3 year contract, so you anticipate that in 3 years you will throw everything away, also when it is still operating well. Why would you do that?”

All: “Yes, yes, yes.”

Edward: “What is your experience then, with all those mice that you see hanging there, South Africa, I should say.”

Nick: “I see indeed the transience of things and that it of course, just as Paul also says, that everything lasts only a short time. But what is a very interesting point, at a certain moment it is being transported to countries where a lot of outsourcing also goes. There it is going to be reused sometimes, or people are walking on the garbage dump, picking out those things. I saw a documentary about that just a short while ago, e.g. in China, a lot of stuff from the West disappears onto a garbage dump for poor people, who are picking out all the parts. And a lot of outsourcing is also exported especially to China, to the big cities, but also to people with all new products. I think it’s a very nice photograph.”

The photograph ‘Mobile devices’ shows rather obsolete mobile communication devices positioned in a presentable way. The following comments present important views on this photograph regarding the aspect of ‘product’.

### **Quotation 1 from ‘Mobile devices’**

Daniel: “Then you can link it to the former discussion, can’t you? It is a replacement for the sake of replacing it and not because it is necessary.”

Nick: “It is not because the product was bad or not..., that was not the discussion apparently, you enjoyed it a lot.”

Paul: “Why is Apple doing so well? Not because it is the best product, but because they market it the best, or because of the look of the things they offer.”

During the presentation of the photographs ‘Obsolete mice’ and ‘Mobile devices’ the main subject of association was the speed of technological change, resulting in a technology push by the marketing apparatus of ICT vendors. The participants are irritated by aspects such as their dependency on vendors and their products and their powerlessness to do anything about it because of the aggressive marketing strategies which result in short life-cycles of ICT products and a huge quantity of waste. They are especially annoyed because they do not always find the new products to be an

improvement. They extrapolate this feeling to their customers and, even further, to the world. In relation to the photograph 'Obsolete mice', they also mentioned and discussed what they called the Third World paradox. On the one hand, the Third World is considered a recipient of their charity, by receiving their obsolete hardware, but on the other hand, the Third World is considered to be an outsourcing location (offshoring) and therefore threatening to their position.

The reflections on these photographs even went so far as to connect this with global environmental pollution. Participants tend to take a large part of the responsibility for this upon themselves and seem to feel ashamed about it. There is an overwhelming feeling of powerlessness about the side effects of technical ICT products. They are convinced that it is not within their power to do anything about it, and show feelings of resignation.

In the SPM, this item was very important for the participants who addressed it with a lot of eagerness. It was as if they needed to defend their position in the ICT, as if they wanted to say: 'okay it is like that, the pollution and all, but it is not my fault, it is all commerce and we can do nothing about it.' Indirectly they say that this excuse is one of the reasons for working in an in-house situation, explicitly saying when asked about it in the interviews: "*Bond with the matter, a societal aim, allowances* [related to the products they make], *that is important.*"; "*Commercial is hit and run, I want to have responsibility for the things* [products] *that I make.*" Doing good and having full responsibility for the services and products they make, they said, is important for them. They project the bad things of ICT onto the commercial environment and they don't want to be a part of that environment. In this context they described 'the commercial' side as having a hit and run mentality. But, at the same time, they expressed apprehension about the consequences of the nobility of sending the so called 'obsolete' ICT products to the Third World. These consequences are the competition from those parts of the world arising from outsourcing. A lot of offshore outsourcing results in business for parts of the world where the 'labour power' is still relatively cheap. Their statements about this during the SPM illustrate that they want to do good by sending obsolete ICT products to the Third World, but stimulating the offshore outsourcing by doing this is going too far. The association of their products with rapid technological change seems to lead to complex feelings: guilt about the waste problem, philanthropy concerning the Third World and concern about Third World competition and losing their jobs as a result.

The photograph 'Social wall' shows only the first word, 'Sociale', of the text 'Sociale Verzekeringsbank', which is attached to the SVB building with the matrix structure of the building behind it. The following comments present important views on this photograph regarding the aspect of 'product'.

**Quotation 1 from ‘Social wall’**

*Daniel: “With the single payment legislation we arranged that the 400.000 Euro was paid to people and when you afterwards receive a card because someone is very grateful, that he or she can give his or her grandchildren a bigger present, then that is very pleasant.”*

*Paul: “Yes, that is so.”*

**Quotation 2 from ‘Social wall’**

*Nick: “Social.”*

*John: “What would that be?”*

*Silence.*

*John: “Social profession.”*

*Edward: “To my experience an advantage when you are allowed to contribute to the execution of the AOW, child benefit and that sort of rights, which are, say, for a lot of people in the Netherlands very important. And how small your contribution may be or how large it is, if you can do that, it gives more satisfaction in my opinion than when I, for instance, [make] someone’s boxes..., yes I cannot give a good example, but in a normal, regular company where they make boxes or whatever.”*

**Quotation 3 from ‘Social wall’**

*Paul: “I see it primarily as social activities, and that you also work in an environment that means something for society, something that would stop me to perhaps....”*

*Daniel: “The photograph was about involvement, that it is real.”*

*Paul: “Yes, although you don’t feel it very well, because you make your little programme and not very much....”*

*Sam: “But you are heavily motivated to make it work all right, I hope?”*

*Paul: “No, I just want the programme to do what it must do. I don’t bother if the customer does that too.”*

*John: “No, that is not true, I definitely don’t want to work for a company that, say, makes simulators for the army or whatever.”*

*Paul: “No, okay, but....”*

The photograph ‘Social wall’ triggered the participants to question the importance of the company goals or social involvement in the choice for the in-house situation versus the commercial situation. This was also described as an important binding factor which they would lose if outsourcing came about. Some of the participants said this was more important than their profession, ICT. Although the participants were apparently quite sure of their position on the importance of the societal impact of their products, they were quite diverse in their comments and hesitated to give clear and unanimous answers. One of the application developers in the interview said: *“Societal aim, involvement with the subject, social security.”* This view expresses the importance of involvement with the making of the products and services in which they participate, with the societal tasks of the SVB. This was mentioned as one of the

advantages of working in-house. Sam and Edward expressed their feelings of responsibility concerning this important aspect in their interviews as follows:

*Sam: "I try, I am an ICT man, but I am certainly also sympathetic with the SVB and not only the SVB, but also with our customers, and actually you see that with all our in-house ICT professionals. The fact that you always have your customers in the back of your head, and that those customers are for a large part dependent on the good performance, makes you very risk aware. And yes, then there is a large brake on the taking of risks. You don't go for that, you would rather not go for that and that means that you become mad when you see that someone else does that nevertheless, because that person actually plays with the income of people."*

*Edward: "I find the common grounds..., thus, that the SVB performs ICT, but also has, alongside that, an important societal goal, for me that is a consideration to stay here."*

From the discussion above it can also be concluded that the main reason for this view is because their product only represents a small part of the actual service.

The participants are aware of the fact that in an outsourcing situation they will lose these advantages of the social involvement, or at least they will be placed at greater distance from the empirical effects: *"Commercial is more short-term, hit and run."*; *"In an in-house situation it stays your thing, you continue to stay involved."*

#### **5.3.4 Résumé of product**

During the gathering of the data, it became clear that the contemporary ICT professional does not have a feeling of fully having a grip on his/her 'own' product. Thus the relationship of the technical in-house ICT professionals to their product is vague.

There was no direct identification of the in-house ICT professional with a clear product in the case study. On the one hand, ICT products, especially software, are not very tangible, which hampers identification. On the other hand, and more importantly, the division of labour in the ICT branch is carried through to such an extent that the link of the worker to the overall product becomes unclear.

As a result the participants relate to parts of the whole technical professional area, the ICT hardware with which they work or the service of the SVB to which they contribute. In relation to hardware they highlight the pollution problems that ICT hardware produces in the Third World, resulting in negative feelings. They attribute much of the responsibility for the pollution to the commercial market, the technology push which arouses feelings of powerlessness, and the managerial incompetence to do anything about it. In this context the participants also addressed a paradox, namely that, alongside the chance of providing foreign aid with the obsolete ICT products, they also recoil from providing the Third World with the means to compete in offshoring deals. In relation to the SVB's services, they feel proud about their contribution to the societal tasks of the SVB and happiness about sharing the rewards given by the SVB's



customers for good service. They are afraid of losing this aspect of their involvement in the ICT products to which they contribute due to outsourcing; they don't want to just 'produce boxes' they said.

The ICT professional is no longer capable of controlling this development; it is steered by external forces, e.g. marketing power, management. Managing one's own product is important for the well-being of workers, because it gives them self-respect and self-esteem. According to the participants, outsourcing, by increasing the distance between the producer and his/her product, affects this feeling.

### 5.3.5 The other

'The other', especially as represented by the colleague, is important for human beings in contemporary society. The possibility of the formation of durable bonds (Bauman, 2010: 65) with colleagues is one of the features of the in-house situation. The manager is also important in the organizational relationship, although in a different way. This is under pressure in the case of outsourcing to a commercial organization in which the employee increasingly is considered to be a mere objectified, 'trouble-free' capacity for creating profit (Bauman, 2010: 66-67).

The photograph 'Job site' presents a PC-screen with 'the largest job site in the Netherlands' on it, showing the jobs available in a certain profession in a certain area. The following comments present important views on this photograph regarding the aspect of 'the other'.

#### **Quotation 1 from 'Job site'**

*Paul: "Because then [in the in-house situation] you have, just like here, your steady group of colleagues around you. With a send on secondment situation you have, for the same money, every 3 months other colleagues around you, you have no bond with your work whatsoever."*

#### **Quotation 2 from 'Job site'**

*Paul: "No, the nice aspect seems to me indeed a frequent change of ICT architecture, but what my problem is with a send on secondment situation is first, the travelling around, and second, you want to have a steady group of colleagues around you, who you can develop a bond with, instead of every day another group of people around you, who you really totally have nothing to do with."*

*Sam: "Are the best external professionals slightly autistic?"*

*Daniel: "At the software house they will look after that, you have expertise groups of which immediately..."*

*Paul: "You can visit them in the evening, yes."*

*Laughter.*

Tina: *“I have also worked with, well in those days it was called CapVolmac<sup>62</sup>. I experienced it as dreadful. Then you had those so-called voluntary meetings, but it really was an obligation, because you had to fill in, on a list, if you were present. Those gatherings, ‘nice and cosy’ with your colleagues, of whom you knew nobody, because your real colleagues are the colleagues on the job where you are stationed.”*

Paul: *“Yes, but those sort of colleagues are not of much use, because you see them only on that sort of occasion. You just want to get along with your colleagues whom you see every day, just nice lunching together.”*

Tina: *“Yes, that I found a large disadvantage of software houses.”*

In the discussion of the photograph ‘Job site’ there was, on the personal level, an urge for cosiness and a craving for feeling at home. This can be translated to: knowing where to go every morning and which people you will encounter each day, working in a group of people whom you know, and more.

The photograph ‘Job site’ elicited the following very explicit expression about this topic from the participants: *“The ICT professional just wants interesting work and certainty, a nice working environment, less travelling time etcetera, just like everyone else in other professions.”* Here they express that every ICT professional is equal in his/her needs to every human being. This opposes the findings of the research mentioned earlier of Im and Hartman (1990), Ferrat and Short (1986) and Hooegeveen (2007). The participants tend to divide their relationship with the rest of the world and between each other into two separate dimensions, claiming the best of both. On the one hand, they want to be the superior professional who is special in the organization (maybe even the rest of the professional world) and must be recognized for this with respect, privileges and salary. On the other hand, they claim to want to be treated like every human being with a need for security, continuity and comfort.

In this section of the SPM especially, one of the most important issues for the in-house ICT staff emerged, namely the bond with colleagues, and a sense of belonging to the group. This human characteristic is especially manifest and effectively utilized in the work environment (Marcuse, 2009: 191; Marx, 1990: 439-444; Bauman, 2010: 66). This issue was not only addressed in the SPM, where the discussion was one of the most emotional, but also in the interviews, with expressions like: *“In-house gives a very pleasant atmosphere.”; “Cosy.”; “Second home.”; “A bond with the group.”; “Stable social contacts.”; “The SVB is like family.”* And when elaborating upon the opposite situation, the commercial environment, they stated: *“Working in a software house creates a cold environment and atmosphere.”* When asked for the reason most of the participants said: *“Every time being sent to different customers.”; “No bond with colleagues.”* It appears that the stability of the contact and bond with the other is important for in-house ICT

<sup>62</sup> CapVolmac is a multinational ICT consultancy and data centre organization.

professionals and they are convinced that in a commercial environment this bond with the other vanishes or at least decreases. Their commentary about this concern for losing the collegial bond was representative enough to reflect upon their attitudes toward outsourcing, a situation whereby the management decides unilaterally to transfer (a part of) a group of professionals to the commercial environment, because of business economic reasons.

The photograph 'Coffee corner' shows a typical coffee corner in the SVB, in the gallery on the second floor of the SVB company restaurant. The following comments present important views on this photograph regarding the aspect of 'the other'.

**Quotation 1 from 'Coffee corner'**

*Tina: "You are sitting in the cupboard."*

*Paul: "Boring."*

*Silence.*

*Ben: "Cosy coffee corner."*

*Many: "Clean, boring corner."*

*Ben: "Between brackets."*

*John: "Cold and warm."*

*Many: "Chilly."*

**Quotation 2 from 'Coffee corner'**

*John: "What is the opinion of the SVB? That this is a chat place for the people that work here? I think it is a cold place with Siberian warmth."*

*Edward: "You look outside."*

*John: "Yes, but these are also just places which are just nice in abstract, you can see that with the light behind it. But there are some places that have no light at all, such as downstairs, at the entrance of the L-section.<sup>63</sup> In the L-0<sup>64</sup> you have the same, there you have nothing, absolutely no light."*

*Nick: "Open space."*

*John: "No way, no space next to it."*

*Nick: "I find that this is again just a certain trend that a lot of companies must implement to make it so-called cosy. I find it also very unpleasant, and I am glad that most employees are a little bit cosier than this corner. I find the photograph in itself just...."*

*Paul: "It is not meant to be cosy, actually to be purely functional, to get some coffee."*

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<sup>63</sup> The SVB building is divided into two separate sections. One section is shaped like the letter 'L' and the other section like the letter 'U'.

<sup>64</sup> Ground floor of the 'L' section of the SVB building.

**Quotation 3 from 'Coffee corner'**

*John: "No, you must for a while..., look, you are working and you are a professional, you are not a child that you must watch all the time to see what it is doing, and you cannot more than 5 minutes.... This is for me a place of control, everybody can see that you are standing there and for how long. You only see people waiting in the coffee room, so nobody chats there. It was also meant to be a place where you could talk with a colleague and to talk about problems also, but I've never seen anybody there, never."*

**Quotation 4 from 'Coffee corner'**

*Paul: "What I feel with this, is something like chilly but functional."*

*Nick: "Now, what has been the intention to arrange it in such a way, was that part of a vision? You could have put a chair with it. You could say that it is really intended, but yes, all right, if you exchange certain information, then maybe that can be good for the company. Also [the intention can be] that you sit there alone thinking in circles, or because it is the vision, because other companies do it this way. Or is there yet another intention behind it?"*

*Silence.*

*Many: "Good photograph." [A form of confirmation, obviously something very important is expressed in the photograph for most of the participants.]*

With the photograph 'Coffee corner', it was noted that over a period of time, a certain culture of chilliness can also arise within organizations with in-house ICT, where there is a focus on functionality. This is substantiated by the impersonal exterior and interior of the building and the observation that one can find cosiness only in the separate rooms, in the 'group'. This group feeling in particular is under pressure through outsourcing, according to the participants.

The photograph 'Empty corridor'<sup>65</sup> shows a typical corridor in the interior of the SVB building. Along the corridor there are numerous doors, most of which open into work rooms of various sizes. Some doors give entrance to staircases that lead to other floors. The following comments present important views on this photograph regarding the aspect of 'the other'.

**Quotation 1 from 'Empty corridor'**

*Tina: "Actually it looks like a hospital corridor."*

*Silence.*

*Daniel: "Also again that chilliness."*

*Ben: "There are no shutters in the door, through which you can really look if everybody is working and then close the door again." [The SVB corridors contain many doors on either*

<sup>65</sup> In the discussion of the photograph 'Empty corridor' the participants made references to a certain secretary and a certain manager. For privacy purposes I have changed the names to the neutral [secretary] and [manager].

side of the corridor. There are no windows in the doors, so it is possible to shut the rest of the organization out.]

*Sam: "The delight architecture brings us!"*

**Quotation 2 from 'Empty corridor'**

*Nick: "It really can say something I think. Either there is a certain form of intimacy, or cosiness or homeliness, or everything is very impersonal."*

*Tina: "Yes that has, I think, also, what Paul also said, to do with the size of the company. The larger the company, the less cosy it will be, the more functional it all must be."*

*Sam: "But surely that is not functional. If you look at modern companies, it is all open, there are little cabins and little groups."*

*Tina: "I also don't want that [open working space]."*

*Sam: "No, but, here you all sit in a separated cabin."*

*Nick: "I find it nice though of Sam, what Sam said, that about those little cabins, you don't really see that. You only see that cold corridor. But actually you should, indeed, also that..., yes, a sort of tunnel, do we have tunnel thoughts or is it just a certain space."*

*Laughter.*

**Quotation 3 from 'Empty corridor'**

*Paul: "Don't walk to the light if you go into the tunnel, if you are in the tunnel you don't walk to the light."*

*John: "Not to the light."*

*Paul: "Then you walk...."*

*Tina: "Then you encounter death."*

*John: "And that is also sometimes the question, is there life after the SVB?"*

*Silence.*

**Quotation 4 from 'Empty corridor'**

*Ben: "You just see especially those little cabins, where you don't see what is happening behind that door. Everybody is sitting in his own little cabin and they certainly have a nice time, but how nice they have it, you will never know."*

*Paul: "Surely you can go in."*

*Ben: "In practice you don't do that."*

*John: "In the tunnel you see no door."*

**Quotation 5 from 'Empty corridor'**

*Nick: "In my opinion that horizon is very vague, I know, because I know the area, and because it is the 2<sup>nd</sup> floor I should think indeed, luckily there sits [secretary]."*

*Laughter.*

*Nick: "A vague vision indeed also, the future that is not clear, uncertainty. Is there someone who has that vision anyhow?"*

*John: "First you start with big words, there you have the big lamp above, and then it is*

*becoming less and less. You have doors still, so you can find a way out, but you can also say that it is a sort of labyrinth, you go into the closed area and then you don't know where to go to. You can choose a door but maybe the wrong door, so yes, do you do that or don't you?"*

*Nick: "Or do you go straight forward."*

*Sam: "What I find funny actually, that everybody has something like..., and I think that I have as a feeling, at the end of the hall sits [secretary], but at the end of the hall also sits [manager]."*

*Laughter.*

*Sam: "And [manager] is sitting all apart."*

*John: "But you don't want to see [manager], but you surely want to see [secretary], because [secretary] gives everybody, I think, another feeling than [manager]."*

*Sam: "Yes, but for your feeling the hall stops at [secretary]."*

*Paul: "But is that surely also the feeling? That also means that the distance to [manager] is so large."*

*Sam: "Yes, those last three meters, to the last door, as you say...."*

*Laughter.*

*Nick: "Is apparently, indeed, quite a long distance."*

#### **Quotation 6 from 'Empty corridor'**

*Ben: "Now you say definitely second floor, but you only see that because of the poster, I suspect."*

*Tina: "Yes."*

*Ben: "Because for me every floor is identical, it can be first, the second, the third. I only know that it is not the 'U' [other section of the building]."*

*Tina: "It also happens sometimes that I think that I went to the third floor, but then I actually went to the fourth floor and then I go one floor down and then I walk into the hall and then I think, hey, it is completely strange here, but you only realize it when you are already somewhere in the hall."*

*Paul: "Then you meet somebody of whom...."*

*Ben: "Luckily you have a poster here."*

*Daniel: "Some people you have to know."*

*Sam: "It smells different in that hall."*

*Ben: "Different coffee beans?"*

*Sam: "I think so."*

*John: "I see also a hospital."*

*Daniel: "Most contemporary hospitals are lighter and happier and more colourful."*

*Tina: "Lighter than this is not possible isn't it, with all the white walls."*

*Daniel: "Nevertheless it is not light, it is white though, but it is not light."*

*Nick: "There are of course not many windows when the doors are closed."*

*Edward: "It seems like there is no perspective in it, while it must be in there."*

*John: "It is a challenge."*

*Sam: "You almost don't see that, it is also the opposite."*

*Laughter.*

*John: "A challenge, then you stop and watch where you are, you choose a little door and then you say who wants to see this? I see a little door of [secretary] or [manager] well, I also see a black one. In some cultures you see black, which means that someone is waiting for you, covering up, breaking in."*

The photograph 'Empty corridor' addresses, alongside the already mentioned chilliness, the hierarchy of the SVB and the consequences for aspects like steadiness, certainty and peace of mind, and the desired communication and facilitation of a social and humane atmosphere. In the presentation, management was considered to have an impersonal, functional impact upon the atmosphere, with less attention for the employee as a human being, mainly because of the lack of communication and inter-human contact. The result, according to the participants, is the conjecture that management is constantly checking them to see whether they are being idle or productive. The photograph 'Empty corridor' also elicited a level of anxiety about the hierarchy that one could almost compare with suspicion. In the context of the era in which he lived, Marx (1990: 550) said: "The overseer's book of penalties replaces the slave-driver's lash". Although the participants did not mention any penalties explicitly, implicitly one can perceive some resemblance with the suppression felt from the hierarchy.

This section illustrates the desire for cosiness, for being together and having a nice time. This can be absent from organizations, often because of the pressure of efficiency measures and management controls. As the participants commented here, the desire does not disappear. They don't tend to leave, but seem to repress their feelings about the pressure of the efficiency measures and management control and withdraw into their own environments, the working rooms, something that Watson (2006: 145) also explicitly encountered in his research. The whole discussion of this topic, and the interviews as well, is permeated with the attitude of the participants towards the role of management. The role of management in the organization is a topic that elicited a lot of reactions and often extreme ones. As previously mentioned, most of the photographs in the SPM are likewise loaded with meaning and people reacted quite strongly to the subject in the interviews as well. The manager is seen as the one who is most responsible for conditions in the organization, and when asked for their thoughts, the interview participants requested change by the management, for instance: "*Interest in the employees.*"; "*Communication in an appealing way.*"; "*Attention.*"; "*Represent the group.*"; "*Involvement.*"; "*Transparency.*"; "*Communication.*"; "*Get the 'signals'.*"; "*Visibility.*"; "*Accessible.*"; "*Trust.*"; "*Flexible in style and informal.*"; "*Honesty.*"

This sounds pretty serious. Seen from a greater perspective, the participants are asking for open, honest and continued communication, transparency about company policy, in particular about the outsourcing plans. Although the group described a lot of the organization's less attractive aspects, when these observations are combined with the

discussion of the photograph 'Coffee corner', it's clear that in spite of the criticism, the SVB organization is still their cherished working environment. It could always be worse, in their opinion. For example, they might not be members of a steady group, like those working in a commercial environment such as a software house. According to the participants, in comparison to the commercial environment, the in-house situation gives them the opportunity to withdraw into their working rooms and form the bonds they want, without interference by management. In the discourse on the photograph 'Empty corridor', the participants made explicit this contrast between the warm relationships they develop within the security of their working rooms, and the threat of the outer world (they even mentioned death in this context), as represented by the corridor. To find out more about the participants' desire for steady relationships with the other, I asked them why they did not leave the organization, and challenged them by stating that outsourcing could also be seen as an opportunity. The interviewees reacted with the following justifications for staying: "*Good culture of the SVB.*"; "*Geniality, like a second home (living room).*" Together with the previous quotations, these replies show the desire for relationships with others, something the participants explicitly connect to the in-house situation at the SVB. The participants are convinced or afraid that this important feature will disappear in the event that they are outsourced and must step out into the commercial environment.

### 5.3.6 Résumé of 'the other'

One thing is clear from the case study concerning the feelings of the participants towards the other: forming bonds with colleagues is considered to be important in an antagonistic organizational environment which is dominated by management. In an interview John compared colleagues with friends in this context: "*I find the colleagues important, so to say, and there is collegiality in the SVB. Colleagues are not my friends, as such. Colleagues are colleagues, so to say, they did not become friends, but that is all right you see. I see that as an advantage, if I ever leave here, then I won't miss my friends, but I will certainly miss my colleagues.*"

The manager is also important in the organizational relationship, although in a different way. The participants appreciate truthfulness in speech, especially by management, and long for a friendly, almost family life in the organization. The external world – vendors, consultants, commercial organizations in general – are considered as threats to this way of life and are therefore not appreciated.

On the professional level the participants show a tendency to make a distinction between the ICT staff and the rest of the world (e.g. concerning security constraints), wherein they confer more privileges upon themselves, as professionals, than to others. With regard to their work tasks, they consider themselves to be special in the organization in which they work. Even among themselves they attribute different levels of importance to different groups (e.g. Java versus COBOL developers).



In this section there is a tension between this positive aspect and the other aspects which are seen as negative: the building and management. The participants cherish the soft culture and the family-like atmosphere of the SVB, one of the most important reasons for working for the company. Everything that threatens this is viewed negatively, such as the chilliness of certain features of the building and the behaviour of the managers. The word 'death' was even used by one of the participants. Of course such a comment must be considered in the context of the situation, but it can still be regarded as a clear sign of the seriousness of the participants about the subject.

The external commercial world is seen by the participants as threatening and in discussing the associations about the aspect 'the other', use of the O(utsourcing)-word is also avoided. Although the SVB's ICT staff know that outsourcing will tear groups apart and unavoidably change their way of life, they behave passively towards the threat. This changes, however, when outsourcing becomes less hidden and more concrete, as I experienced during the later stages of the change programme 'Tien voor Service'. Then, buzz and rumours appear. This behaviour of denial and repression when outsourcing is not present and concrete is quite common among the ICT professionals of the SVB, as can be concluded from the case study.

### 5.3.7 The self

The self and self-fulfilment are closely related to each other. As a social member of the community in the working environment, the worker can develop him/herself, sublimate, and realize self-fulfilment. The way the worker perceives his/her own position in his/her environment, and the obstacles against or possibilities for self-fulfilment evoked by this perception both play an important role. Thus, the aim in the following explanations is to detect what the different participants have to say about their own position and attitudes concerning their working situation and the urge and possibility of self-fulfilment as a human being.

The photograph 'Two trams' shows two waiting line 5 trams to inner city Amsterdam, opposite the front of the SVB building where the tram stop is situated. A lot of SVB employees use this tram line to come to work. The following comments present important views on this photograph regarding the aspect of 'the self'.

#### **Quotation 1 from 'Two trams'**

*Daniel: "I think indeed more like, accessibility is fine, you just have your steady job location. You can come with the public transport, you do not have to have a car available, because you have to be able to work everywhere and nowhere."*

*Tina: "That is a beautiful contrast with those software houses indeed."*

*Daniel: "Yes."*

**Quotation 2 from 'Two trams'**

Paul: *"I think that it is just nice, an internal organization. That you always have to go to the same location and that you have certainties and it is in principle not too far away. That is what I want, because you have a choice, that you don't want to have much travelling time."*

Daniel: *"One of the reasons why I have chosen to work in an in-house situation again...."*

Paul: *"Yes, basically you can live closer to work or work closer to home."*

Nick: *"That's also how I see it."*

Paul: *"If I hear this, I think it is almost the other way around, because I hear everybody say: 'I want travelling time'."*

Tina: *"Well not for me, for me it is also a reason to work here, because it is close to home and you have certainties."*

Nick: *"It is also a sort of reliability actually, you know that if you go a certain route if you work somewhere a little longer, you have some time to say goodbye, or get things out of your mind."*

Silence.

Paul: *"You can also do the autopilot."*

Laughter. Silence.

John: *"Nice, relaxed."*

All: *"Yes, yes, yes, yes."*

The photograph 'Job site' shows a PC screen with 'the largest job site in the Netherlands' on it, showing the jobs available in a certain profession in a certain area. The following comments present important views on this photograph regarding the aspect of 'the self'.

**Quotation 1 from 'Job site'**

Paul: *"Well yes, if you look how it is with us on the labour market. Quite a number [of new employees] are coming to the SVB, often with the same reasons as you, to work nice and close to home, steady."*

Daniel: *"Known architecture, known platforms."*

With the photographs 'Two trams' and 'Job site' the participants saw the opportunity to talk about the reasons that people definitely want to keep working in-house at the SVB. Travel time is an issue mentioned often by the participants, who want as short a travel time as possible, preferably without having to use a car. They also want the destination to remain the same.

For the participants it is very important to spend the least possible amount of energy on commuting between home and work. If it is not the shortest possible distance that is most important, then it is the fact that you never have to deal with surprises, either in the traffic (they prefer public transport), or in destiny (they prefer stability in the work environment). This comes close to the personal preferences and psychological aspects implicit in living an out-of-balance life, in which there is a dislike of the unknown and a desire for certainty. I heard statements like: *"I have children and flexible*

*working times and stable commuting times are important.”; “Job security is very important.”; “Ease of mind.”; “Not having to prove every time that you can do a good job.”; “I am a man of certainties.”; “I can be myself, I am satisfied.”; “I won’t survive in a commercial environment, I have no ambition and here it is easy living.”*

In the interviews, Edward’s reply to the question of whether he would like to travel more for a job was: *“Absolutely not, I am fairly stay-at-home in that regard. Actually, I think that I must work at a reasonable..., not too far from my home, so the home-work travel might not be too great and this is ideal for me. Within a quarter of an hour, for example....”*

The attitude of Tina concerning the issue is clear in the following part of my interview with her:

*Facilitator: “What is your feeling concerning that?”*

*Tina: “Well I would not be very happy about this.”*

*Facilitator: “Why not?”*

*Tina: “That depends on the situation. If you outsource to a company and that company says afterwards, we will station some people over here and we are going to do it here, then there isn’t so much change, except that I get my salary from someone else. But if that company then says, we are going to do it with us, in-house, yes then it becomes unpleasant. Look, I work at a bicycling distance now and it is uncertain that I would get the same situation back.”*

*Facilitator: “Is that the only thing?”*

*Tina: “Yes, but I also find it important to do pleasant work and have nice colleagues, and the secondary terms of employment are also very important for me, as well as being able to manage my private life smoothly.”*

Other comments on this topic during the interviews included: *“Less working and travelling hours, this gives the possibility for a good balance between private life and work.”; “Stable social contacts, travelling times and every time the same location and building.”; “Loyalty to the company and colleagues, longing for a steady job environment.”*

There were also other aspects mentioned in the interviews, such as the pleasant atmosphere in the company and the sense of belonging to a group, knowing where one is going in the morning and that the travel time is always going to be the same. Participants also found good secondary working agreements important, such as flexibility in work times and the possibility to work part-time, because these help employees to achieve a balance between their work and private lives. Other important factors mentioned were the reliability of the labour contract, certainty about having and maintaining employment, and peace of mind. Some examples are given below.

*Sam: "Flexible working hours are really very important and generally considered to be so. I also know for my colleagues that if the SVB was going to say: 'no, we have fixed block hours and you just must be here between 9.00 AM and 17.00 PM and that's it', it would immediately become a very unattractive employer."*

*John: "I find it very nice that I have the freedom to determine my own day rhythm or to ascertain weekly what I do. I find the colleagues important, so to speak, and there is collegiality in the SVB. Colleagues are not my friends; colleagues are colleagues, so to say, they did not become friends, but that is all right you see. I see that as an advantage, if I ever leave here, then I won't miss my friends, but I surely will be going to miss my colleagues."*

*Edward: "I find the common grounds..., thus, that the SVB performs ICT, but also has an important societal goal, for me that is a consideration to stay here."*

*Daniel: "The past period I have had a role in the [organizational ICT] developments, and that is very nice too, really being part of a company and the in-house situation, that you are more involved in all the important aspects."*

*Mary: "I am relaxed here, I don't work under stress, I am just relaxed and we have little chats about work and about private life, we laugh, we make little jokes, just with each other, that is I find, that feeling of..., I go to work with a relaxed feeling, not like pffff, I have to work, no: I go to work!"*

The participants are convinced, some by experience but most purely by assumption, that these advantages will disappear in an outsourcing situation, which worries them. They are apprehensive about discussing the subject and clearly express this apprehension by giving a waterfall of examples, of which only a few are presented below.

*Sam: "Well a difference, an advantage of the SVB is especially, because ICT is not our core business, there must be more trust in the in-house ICT professional. You have a relatively larger voice in determining the direction and policy, if you project that on for example Atos Origin<sup>66</sup>, where you actually are an ICT mercenary, there they just hire you for being able to do your trick."*

*Sam: "That is something completely different, yes, that is something completely different. Working in an in-house situation will mean that you get more responsibilities and that you get more possibilities. Working in a commercial situation, you are just put in more different places in order to do the things you know in the execution of the same little job."*

All of these aspects are perceived as threats in the case of outsourcing. Some discussions about this item are presented in the following section, in the treatment of the photograph 'Job site'.

<sup>66</sup> Atos Origin is a multinational ICT consultancy and data centre organization.

**Quotation 1 from 'Job site'**

*Daniel: "There is much less commitment with the work that is being done [when outsourced]."*

*Facilitator: "Get concerned."*

*Paul: "I should think it is a waste. For myself it doesn't matter, but I should think it is a waste, I think, I can't believe that it is cheaper to outsource than to have a group that has known the system for a very long time."*

*John: "No."*

*Paul: "But I think it's strange, it must be cheaper."*

*John: "No, no."*

*Daniel: "Most of the time it is cheaper, and you also know what it costs."*

*Sam: "But is the quality then also just as good?"*

*Paul: "In the end it often is absolutely not cheaper I say."*

*Talking through each other.*

*Edward: "I think that very many of those companies are reconsidering their outsourcing policy. Of letting someone [develop] things abroad, specifying here, building abroad. They discovered that it doesn't work at all, because it is twice as expensive and that there is a lot of overhead involved, which they don't want and they have really discovered that in-house ICT staff is a valuable resource for their company."*

*Ben: "Achmea<sup>67</sup>, they outsourced a short while ago."*

*Edward: "But IBG<sup>68</sup> they truly reconsidered their...."*

*Ben: "ABN/Amro<sup>69</sup> too."*

*All: "Yes, yes."*

*Sam: "You see especially in the non-profit companies, they risked their good reputation and they didn't like that, because communication is one of the problems."*

*Paul: "You must have a very strict organization. Look and see whether there is a functional designer, a programmer who...."*

*Talking through each other.*

*John: "Growing pains."*

*Nick: "No, but good, if you just look at it practically, imagine that we outsource a lot to India, to China, no, no, but good...."*

*Talking through each other.*

In this discussion the participants were clearly seeking proof as to why the SVB as a company shouldn't want outsourcing.

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<sup>67</sup> A Dutch insurance company.

<sup>68</sup> The former name of Dienst Uitvoering Onderwijs (DUO, administrative organization for education). A public organization in the Netherlands that finances and informs students and educational institutions.

<sup>69</sup> A Dutch bank.

**Quotation 2 from 'Job site'**

*Paul: "Because then [in the in-house situation] you have, just like here, your steady group of colleagues around you. With a send on secondment situation you have, for the same money, other colleagues around you every 3 months, you have no bond with your work whatsoever."*

*Daniel: "People think that with a software house you can make a career very fast. That turns out to be worse than expected."*

They were also determining for themselves the reasons and justifications as to why it is better to work in-house than for an external service provider (the possible result of outsourcing), culminating in aversion.

**Quotation 3 from 'Job site'**

*John: "Before [commercial, software house] I was a number, now [the in-house situation] I am a normal human being."*

The participants expressed negative feelings about outsourcing, and they have a clear vision of why it is not a good thing for a company to do. Many of them haven't actually worked in a commercial ICT environment or experienced being outsourced, but they all seem to know what the negative consequences are for the ICT professional and the company involved. Whether this is justified or just prejudice, is not so important in this case. What really matters is the perception of the participants that forms the basis of their attitudes towards outsourcing. The few participants who have worked in a software house certainly did not hesitate in justifying that feeling with examples of experiences from their past practice, such as:

*Tina: "You have more control over your own career [in-house]. At a software supplier you are left to the mercy of the projects that enter the organization and they will put you on. You yourself have nothing to..., yes if you reach the higher spheres, I don't know, but I just started on the bottom, so I had to go wherever they sent me."*

*Tina: "Thus, more free here – at CapVolmac and also at IBM where I have worked afterwards, well there I would not have dared to make a call and to say to everybody: sorry guys I'm going home because a child is ill, you can't try that over there. It is much more social, much friendlier [in-house] towards the employees."*

The photograph 'Social wall' shows only the first word, 'Sociale', of the text 'Sociale Verzekeringsbank', which is attached to the SVB building, with the matrix structure of the building behind the word. The following comments present important views on this photograph regarding the aspect of 'the self'.

### **Quotation 1 from ‘Social wall’**

*Edward: “If we go to Pink Roccade<sup>70</sup> [ESP], how shall we live then? I think that we must consider the context of the photograph with the two trams again, because then you don’t have trams anymore but you would have long trains, intercity or..., I don’t know, to Apeldoorn [Dutch city where one of the data-centres of KPN Getronics<sup>71</sup> is located]. That brings also, again, another perspective and another experience with it.”*

*Facilitator: “What kind of experience?”*

*Edward: “Well, that you are much longer under way. Most people here have chosen on the basis of a reasonable home-work distance.”*

*Paul: “But certainly you have chosen for the AOW/AKW?”*

*Edward: “Among other things, provided that the distances of course also.... Look, if you lived in Limburg, then you would not come to the Sociale Verzekeringsbank.”*

*Sam: “But then you can move, can’t you?”*

*Daniel: “Outsourcing does not have to mean that you must immediately work somewhere else, because it can also mean that Pink Roccade just keeps on using these working spaces and that the employees stay here to do the work for the SVB, but are in the employment of Pink Roccade.”*

*Paul: “Then you completely get the feeling, what are you doing, in God’s name!”*

*Laughter.*

*Nick: “Yes, but that’s right what Daniel said. I have experienced that at Fokker<sup>72</sup> what you say.”*

*Daniel: “Only then the chance is considerable that you, at a certain moment, that you are deployed somewhere else, that is possible.”*

*Facilitator: “And then, how does this fit with the photograph?”*

*Nick: “The Social disappears completely, and that is a condition that for very many people is very important.”*

### **Quotation 2 from ‘Social wall’**

*Nick: “You come [after being outsourced] to work for an enormous company, so then you have maybe for you....”*

*Paul: “But good, a large company I don’t like, it is nothing for me, so to say. I find the Sociale Verzekeringsbank a nice employer. I think that with a lot of commercial companies you are treated like a small number, and....”*

Working in an in-house situation and wanting to hold on to it, can produce anxiety about losing it. In the photograph ‘Social wall’ the participants expressed their attitudes about outsourcing or a merger. A vast majority of the participants think of outsourcing as something that is good for neither the in-house ICT professional nor the company involved. One interview participant stated very firmly that, “*Outsourcing*

<sup>70</sup> An old name of an ICT consultancy and data centre organization. After some mergers, the current name is KPN Getronics.

<sup>71</sup> KPN Getronics is an ICT consultancy and data centre organization.

<sup>72</sup> A former Dutch aircraft industry company.

*is a bad choice for the company, you must not want it.*" The interviewees said that the commercial environment creates outsourcing as a trend, some sort of fashion. *"Outsourcing decisions are made on invalid grounds, forced by external specialists."*; *"Outsourcing is a perishable trend, it worries me."* Resulting in commercial dominance: *"The interests of the ESP are commercial, thus totally different from those of the SVB."* They are convinced that deterioration will be the consequence of this commercialization. In the interviews, outsourcing was seen by the majority as a concern for the company and themselves. In the quotes above they mainly stressed their personal concerns.

In the statements below they approach the issue from another angle, as illustrated by the following examples:

*Paul: "I personally don't really have a fear of outsourcing, but I do think that the thinking about it is a threat, because it all seems to go so easy, to outsource, and the underestimation of the importance of the in-house knowledge, that surely is a real threat."*

*Sam: "I would find it very stupid and short-sighted of the SVB to outsource. If you look at the developments in the USA, look at the technology that we have here now and also if you look at what is happening with companies that completely fail in the field of ICT, I think that it is very short-sighted to.... I don't think that it is worth the risk. Even if there was any financial advantage in it, I don't think that it is worth the risk."*

*Edward: "Well, I have a very bad feeling about that, because in our case [in-house; non-profit], those who are outsourced have never been advantaged by it, the outsourcing organizations [ESP] are the only ones that, in principle, have gained from it."*

*Facilitator: "Explain."*

*Edward: "You are dependent, you have seen yourself how we at the SVB have things in control. Here actually we have outsourced our data processing, and if you look at it in a clear way then the result is that there is an increase of overhead, of aspects that you must manage for the outsourcing to take place. You need about the same effort to structure things and to make information available for the ESP, to make it possible to execute your data processing. So in that regard, no more people have left the company [other than in the outsourcing deal, because of the outsourcing], despite the fact that we have outsourced, there have been, on the contrary, more people entering the company who report, write, all kind of things, just to, so to say, facilitate the results [of the outsourcing]. Things are just less flexible. I mean that is the most important."*

In these quotations they give their reasons for why outsourcing is bad for the company; for flexibility, control, costs (increase), the innovative power, etcetera. According to the interviewees, outsourcing makes the company rigid, not least because of the loss of expertise. They also believe that insourcing is increasing rapidly. In this context Daniel gives a reassurance, as if he wants to say, 'wait a while and you don't even have



to outsource anymore, the market will catch up with you': *"Because outsourcing also has a lot of disadvantages, I have understood though, that there are companies which reconsider it."* With this expression he seems to show his feelings of dislike towards being outsourced.

A majority of the reference group is even convinced that outsourcing is a threat for the quality of the company concerned and a very stupid thing to do for various reasons, such as the involvement of the in-house ICT staff. *"It is bad. We can do it much better than the ESP, because we are involved."* Or for competitive and financial reasons: *"It is a hype and it will surely stop again because it's bad for business and higher in costs."* Or because the in-house ICT staff are better skilled: *"In-house with its good, committed people is always better than outsourcing.";* *"We are always better."*

The photograph 'Empty room' shows a typical SVB working room in the ICT system development department. The following comments present important views on this photograph regarding the aspect of 'the self'.

#### **Quotation 1 from 'Empty room'**

*Daniel: "The problem, for instance, for in-house ICT departments, is to hold on to their employees."*

*Mary: "Yes."*

*Daniel: "How do you prevent an exodus which you can't fill up again?"*

#### **Quotation 2 from 'Empty room'**

*John: "You can use the argument, I don't have the people, I can't get the people I need easily, so I am going [to outsource] to another company."*

The photograph 'Job site' presents a PC screen with 'the largest job site in the Netherlands' on it, showing the jobs available in a certain profession in a certain area. The following comments present important views on this photograph regarding the aspect of 'the self'.

#### **Quotation 1 from 'Job site'**

*Tina: "I took this photograph. I took it with the intention of displaying how much people with this expertise are wanted, and how so inherent, how difficult it is, well not inherent..., yes, because there are so many vacancies, so it is apparently very difficult to get all these people."*

Concerns about the internal causes of outsourcing are addressed in the associations with the photographs 'Empty room' and 'Job site'. Reasons such as high turnover and the difficulties of attracting new personnel because of labour market scarcity and the position of the ICT professional in the labour market were clearly put into perspective. Together with the photograph 'Empty room', the participants think that this scarcity

can lead to negative side effects like lack of continuity in the business, resulting in the outsourcing of ICT activities. On the one hand, this results in an aversion to outsourcing, seeking proof as to why one should not want outsourcing, and extolling the in-house working situation in comparison to an external service provider. On the other hand, the participants did not mention the positive aspect of the tension on the labour market, namely the opportunities for ICT personnel in the event they get outsourced. As shown in the photograph 'Job site', the labour market is luxurious for technical ICT personnel. Particularly in this examination of perspectives, it is becoming clear that the participants do not search for a job, but have a preference for a particular environment, the in-house situation, and more specifically, the in-house situation at the SVB.

Referring to the concern of the participants about outsourcing in the discussion of the photographs in this section, the interviews also gave a sense of personal concern about the possibility of outsourcing. Some interviewees said that it is a constant threat for them, but that they are pretty sure they will find their way anyhow, because they are young and well educated, or because they have ICT knowledge and experience, or because they believe that in the ICT market there will always be work. One of them even said: *"I am already old, I don't care, they will buy me out."* Quite a few of them showed indifference about the potential consequences after the outsourcing had happened. They used the following illustrative expressions:

*Tina: "Well yes, that danger of outsourcing, that is of course always present. Well, always, it is certainly a real potential threat. I think, though, that nowadays there is a trend going on in the market to reverse that outsourcing to China and so on, and to India. But what I especially also..., I think, that was also discussed in that session [SPM], what also can be a great danger, is that not enough people can be found and that that is the reason [for outsourcing]. Thus, not outsourcing for financial reasons, but outsourcing because it is difficult to attract internal personnel. The work must, of course, be done and that then the choice is to outsource that work, that [this specific cause of outsourcing], I also definitely find a danger."*

*Edward: "I have to think about that thoroughly [not showing anxiety about outsourcing]. I think that I am like that, I wouldn't think there is a special reason for it, probably my urge for survival, that I can do a lot of things, in a manner of speaking. I mean I was 18 years old when I left home and had to sort it out for myself, I have also had 1001 jobs, so I definitely know, I can definitely do more than just making a simple little Cobol programme, to put it that way."*

*John: "I am not afraid to do something else, doesn't matter what it is. If you have a kind of pleasure in the things you do, it is not just about the money or anything, it is also for enjoyment."*

The majority of the interviewees, however, were convinced that outsourcing is a threat for in-house ICT professionals: *“Outsourcing, a large part of the population won’t survive.”*; *“Outsourcing is of course a threatening development with large consequences, not good.”* For the company concerned a very stupid thing to do: *“Trapped, SLAs don’t work, the ESP has no empathy for the organization.”* Some of them also showed a form of lamentation or indifference about it: *“Outsourcing and offshoring is a trend with restricted tenability.”*; *“Outsourcing is stupid, you see more insourcing again these days.”* The participants even reacted to the subject with statements like: *“You can’t control it.”*; *“Outsourcing is not a good development, I am good in my profession. If it happens I will leave and apply for an in-house situation again.”*

Many of the interviewees sort of escaped in denial, hope and desperation: *“I don’t see threats anymore, the outsourcing trend is over.”*; *“You see more and more insourcing, so no more fear.”*; *“When it happens then I won’t go, I will do something else, whatever, in the SVB.”* One interviewee even considered it as a chance to quit: *“Outsourcing is stupid, but it does not bother me because of my age, I am already saying goodbye, they will buy me out, good!”*

Some had less faith and stated: *“Let it never happen, I don’t want new challenges, certainty is important for me, I work here because I want lifetime employment.”*; *“Outsourcing makes me very unhappy, I am conservative.”*

When asked about what their plans are if they become obsolete due to outsourcing, participants disclosed that their passion for the profession is pretty mediocre, low or for some, completely lacking. A number of the participants said that the outsourcing would force them to make a step towards an occupation relating to their real passion. In an interview John said: *“My dream has always been to become a fisherman or a sort of philosopher for daily life.”* Edward claimed in the interview: *“I would gladly perform my second passion and that is cooking [in Spain]. I would like to make it my profession. That is my intention. When I leave the [in-house] ICT, especially the SVB.”*

A possible reason for the general sense of resignation is that only a minority of participants (39 per cent) have passion for the ICT profession. The majority of the interviewees expressed a feeling of not having much passion in their ICT-related working life. Some compared ICT with doing puzzles, which they like very much: *“ICT is nice because you can solve problems, a bit of puzzling.”* Others said that they love to make things: *“I think it is nice to do something and deliver something.”*; *“It is my profession, but I don’t care what I do, as long as it is technical.”* Some had a personal concern connected to the threat of outsourcing and thereby losing the possibility of living a comfortable life in a professional environment, lacking passion: *“I would very much do something outside ICT.”* ICT earns good money: *“I earn a lot of money here.”* With a mediocre exertion: *“Good money, easy living.”* Some even said they felt unhappy in the current situation: *“I have always doubted whether this is my profession, I am not good at it.”* And waited for

an escape: *"Totally no passion, it is work, nothing more, if I could go tomorrow, I'd go."* The reasons given by some of the interviewees for staying in an in-house situation have little to do with the profession: *"No passion, but nice working hours.";* *"I am a 'bank-man', everything I do, I do for the 'bank', I am very loyal."* Some of them just do it because they have to do something: *"It is just my work, separated from private, I'd rather read a good book."*

### 5.3.8 Résumé of 'the self'

This subject was the most complex in terms of the data-gathering. The participants were also more deeply involved with this item. The main issue in this section is the desire of the participants for the relatively short-term gratifications offered by the in-house non-profit situation, such as stress-free home-work travelling conditions, a relatively good salary, flexible working hours, relaxed work conditions, job security, etcetera. Only a minority of the ICT professionals participating in the case study has ICT as a primary educational and professional background, while the majority has a different primary occupation before entering ICT. ICT is clearly a second choice, either deliberately or, often, accidentally. A minority of the participating ICT professionals explicitly describe the ICT profession as being their passion, which led to certain expressions of their attitude concerning self-fulfilment. They hardly mention aspects like working on personal growth by seeking creative challenges in their work or learning. Instead they are concerned and defensive about losing the aforementioned advantages.

There is a remarkable contrast between their comments concerning their perception of their working location. On the one hand, the participants associated their working location with chilliness, dark tunnels, segregation in booths, even death. On the other hand, the photographs elicited positive feelings from the participants regarding the stability and the distance of their working location from home. In light of their personal feelings, they discussed the secondment system (used by software houses) and outsourcing, in comparison to the in-house situation.

In the discussions on the aspect 'the self', outsourcing was mentioned explicitly as a threat to the appreciated working conditions. Again the commercial environment was described as one where only the opposite of these working conditions are present. Although the participants made many remarks about outsourcing, all of them are on the level of concern about the company and themselves, but hardly any severe feelings of anxiety were shown. They feel that outsourcing is very bad for the company because they themselves are better performers than the commercial 'competitors'. It is also bad for themselves, because they are convinced they will lose all the advantages of the in-house situation. But they are also partly confident that they will escape by early pension, or to another job in the SVB, or through lawsuits, or they simply know their tasks are too important to outsource. Other than that, they stated that they will

overcome outsourcing because of reasons like: 'I always wanted to do what I really like, not being ICT'; 'I will easily go for another in-house job because I have so much experience.' Their confidence in the endurance of the current in-house situation is striking.

## 5.4 Conclusion

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Both quantitative and qualitative data was collected in the empirical research. The quantitative data revealed that the in-house ICT staff have worked for the SVB for a long time, and they appreciate that and want to continue doing it. Most participants in the research think outsourcing is negative for the company and for themselves and they want management to be transparent about it. The qualitative data was analysed according to the different aspects: 'work', 'product', 'the other' and 'the self'.

Regarding attitudes towards work, the in-house ICT professionals especially appreciate aspects like self-control and the freedom to operate within an open framework. They consider this to be under threat from the increasing trends towards standardization and efficiency, culminating in an extreme use of standard procedures with monitoring and control facilities (Coenen, 2004; Fay, 2008: 841). This attitude is recognizable from the presentation of the photographs 'Iron bars' and 'Prince2' and the discussion about managerial control. The participants seem to experience the organization as a form of Panopticon wherein the information available to management through ICT standardization techniques is replacing the supervisors' visibility (Pelzer, 1995: 49) in the form of a "computerized surveillance" (Sennett, 2006: 51). This ostensibly re-establishes in a different way, however, the control mechanism of Frederick Winslow Taylor (Pelzer, 1995: 43). The participants consider this organizational evolution to be austerity in the industry and they link their well-being with this trend. Because of this, the working situation for the ICT professional evokes feelings of resignation and avoidance. The ICT professionals are convinced that they are justified in associating outsourcing with the penetration of their life-world by commercialism. They show disgust and anxiety about the possibility of losing the advantages of the in-house situation. Although they accuse management of constantly looking for ways of measuring them and of collaboration with the commercial environment, they mostly do not explicitly mention outsourcing. At the same time, it is evident that they still consider themselves very lucky to work in the 'rather secure' in-house SVB situation. They especially appreciate the relaxed work and good working conditions including favourable remuneration, good travel time, a steady place of work and a good balance between work and private life.

The SVB's in-house ICT professionals seem to feel rather secure in their comfortable positions. Although not very passionately, and sometimes very irritated by procedures,

standardization and management control, they continue their occupation at the company undisturbed. This may be a result of the managerial process, "Panoptic techniques can have the effect of creating self-disciplined behaviours amongst those subjected to surveillance" (Grey, 1994: 479).

The ICT professionals work in a segmented organizational environment. Under the dual pressures of the division of labour and the organizational drive for efficiency, they mainly produce small parts of a greater whole, and lack the possibility of identifying with their product. Nevertheless, if we look at what is said by the ICT professionals about this, it is obvious that they feel a connection to the societal impact of the total product to which they contribute, a form of compensation for the lack of tangible end-products of their work. This leads to their identification with the company and the services provided by the company, and in so doing, they bind themselves to the company objectives. They appreciate the rewards given by members of society to the SVB, something that, together with the societal relationship, they are concerned about losing in the case of outsourcing.

In the case study, the participants described having a sense of responsibility for the pollution caused by obsolete ICT hardware, resulting in feelings of shame and guilt. This feeling of responsibility is projected onto the commercialization of ICT, leading to paradoxical and confusing feelings. On the one hand, they feel good about sending obsolete hardware to the Third World where it can have a second life helping the poor, instead of polluting the environment. On the other hand, they are fearful that by donating these products, they will somehow help Third World offshoring locations to become a greater outsourcing threat, and this arouses feelings of condemnation. The ICT professionals are worried about external commercial pressure from vendors and consultants. The participants consider management to be both responsible for this invasion of commercial influence, and incompetent to avoid it.

Something that is very important to the ICT professional is the feeling of belonging to a group. The in-house ICT professional is a social being. One of the reasons given for working in-house at the SVB is the opportunity for building stable working relationships with colleagues in a friendly environment. The data reveals a significant tension between this drive, and the perception of both the chilliness of the organizational building and the managerial opposition.

Participants hold the strong belief that the sense of belonging to a group would not be available to them in the commercial environment. They feel convinced that they would become simply 'a number'. Despite their fears, they seem to feel that their current situation is rather secure. This can be viewed as a form of self-preservation and wishful thinking, because it is only in the endurance of the relationship that bonds can grow (Bauman, 2010: 65-66).

The SVB's in-house ICT professionals show a strong appreciation for particular working conditions including an easy home-work commute, flexible working hours, relaxed work and a steady, generous income. They are fiercely opposed to outsourcing, due to their concern about losing these benefits. Although the ICT labour market is rather positive, it would not be that easy for ICT personnel to find a new position, due to being older and having had much of their work experience in only one environment. They are confident about the stability of the current in-house situation and are confident they will not be outsourced, but should outsourcing happen, some would consider it an opportunity to do what they have always wanted to do, which is often something completely different from what they are currently doing.

It can be concluded from the case study that the in-house ICT professionals believe they work in a comfortable enclave with relaxed working conditions and good secondary advantages. Their desire to belong to steady working groups and form relationships with others is satisfied. From within this comfortable environment they assess the commercial 'outer world' negatively, using this as a form of excuse not to do something about the situation they are in. In this context, Daniel says during the SPM:

*"There is a difference between the inner world and the outer world, the latter being working for a commercial company and on secondment. Then you must be mobile accessible, because you are to be expected to attend meetings in the evening hours and so on, and the urge for mobile accessibility is much larger then. Here it is not. This also leads to a 24 hour economy which we totally do not fancy, me also."*

The 'we' in this quotation, referring to the group formation of the SVB's in-house ICT staff, "has become an act of self-protection...is often a false locution as a point of reference against the outside world" (Sennett, 1999: 138). Outsourcing is one of the precursors of commerciality, threatening the non-profit enclaves. In their direct environment they see this happen and they read about it in almost every trade journal and it clearly affects them. In this context, the case study shows a form of distrust towards the management of the in-house ICT department. The participants are not convinced of the sincerity of the management, particularly because of the signs of their inexplicable urge for control and quantification. The majority of the participants stress the ambiguous relationship they have with management in their in-house situation. On the one hand, they consider them to be a threat, and on the other, they almost unanimously express the desire for more attention, care and communication.

In the case study most of the participants do not explicitly express feelings of anxiety about outsourcing. Some believe it will hardly affect their position or that they will always survive such an event, and some even refer in this context to finally being able (forced) to accomplish their dreams. Nevertheless, all of the data are permeated with signals that the participating in-house ICT professionals want to hold on to the comfortable aspects of an in-house position in the SVB. They therefore conform



themselves to this environment, in spite of their criticism of the bureaucratic system. In order to hold on to their positions, even the stronger and better educated members of the middle and upper classes, like the ICT staff in our case, are forced to follow the norms laid down by the system for fear of losing their [comfortable] jobs (Fromm, 1968: 130). In the contemporary organizational culture there seems to be no other choice for the employees than “either to suppress or mask the expression of oppositional values, or to seek employment elsewhere” (Willmott, 2003: 84). The participants’ behaviour and comments throughout the case study show evidence that they are choosing the first option.

The majority of the participants do not explicitly express a passionate drive towards objectives of their own choosing in the life of their own choosing. Instead, they show a kind of powerlessness regarding management decisions, which culminates in an attitude of conformity, resignation and passionless surrender to their comfortable position. This is not the attitude required for the human being to grow and reach for ‘the good’ in his/her life; quite the opposite in fact: “[passion] is the essential power of man striving energetically for its object” (Marx quoted in Fromm, 2004: 26). I agree with Fromm’s assertion that people relate to their social environment by their passion, and by losing it they are alienated from it (Fromm, 1968: 71-72). Jaeggi agrees with this emphasis on passion and the social environment of the human being, and she adds to it the most important aspect of self-fulfilment (Selbstverwirklichung) which she sees as leading one’s own life, fulfilling one’s own goals (Jaeggi, 2005: 246).

In the case study, the participants show that they do not feel recognized by management and they are convinced that managerial manipulation obstructs them from living their own life according to their own goals. This last aspect is a characteristic of a concept that is related to alienation, namely reification (Verdinglichung) (Jaeggi, 2005: 21). According to Honneth, reification is a complex concept which deals not only with the reification of the other, but also with reification of the self. He claims that this latter attitude makes people vulnerable to institutional pressure to adapt to certain institutional goals and pretend that they are their own (Honneth, 2008: 82-83).

Although the in-house ICT professionals are aware of this situation, they do not agitate against it. Instead they avoid it and show their dependency on management by asking for attention, care and communication. It seems as if this ambiguous attitude towards the hierarchy is necessary for the maintenance of the obedient and conforming behaviour shown by the in-house ICT professionals. The labour market is positive for ICT professionals so it is possible to find another position in which there is a chance of more potential for self-fulfilment. But they would rather stay and endure, and the question arises: why do the in-house ICT professionals accept this situation even if there is a good chance they will be outsourced by capricious management decisions?



# 6 Discussion

In this chapter the critical view of contemporary organizational practice is applied to the case study results. The constant threat of outsourcing, the involvement of management and the resulting effect on the in-house ICT staff are discussed, in order to find arguments for substantiation or refutation of the hypothesis. Because of the surprising conclusion there is little proof for full substantiation of the hypothesis. The research continues by reconsidering the organizational endeavour of the human being in the context of philosophical and social psychological theory, and the data is analysed once again and tested against critical theory. Marcuse's concept of 'repressive desublimation' in particular is applied to the discussion. This concept is used to elucidate the outcomes of the data analysis and to detect the effects of the constant threat of outsourcing on the in-house ICT staff of the SVB. The concept is an especially good means of detecting and analysing the mainly hidden information revealed by the SPM methodology. The application of the Marcusean theory, substantiated by the work of other writers in the social psychological field, reveals that technical in-house ICT professionals tend to repress their own personal ambitions in life in order to enjoy the advantages of the in-house labour process. This repression of personal 'sublimation' and the enjoyment of immediate 'pleasures' engenders the repression of feelings of anxiety concerning external threats to this comfortable situation, which is highlighted by outsourcing in this case study. In turn, these outcomes have demonstrated the effectiveness with which the Marcusean concept of 'repressive desublimation' can be applied in empirical research.

## 6.1 Introduction

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The foregoing chapters describe the research into the theoretical organizational concept of ICT outsourcing as a strategic management instrument. The conclusion was that the strategic management process is a military-like labour process in which the power cascade leads workers to aim obediently at the organization's objectives. The human being in this process is merely seen as a resource and the personal needs of the employees are more or less ignored by management if they don't synchronize with the organizational objectives.

In examining the practice of the SVB and the in-house ICT staff, it can be concluded that, because the practice resembles the theory, the theory can be used in this discussion. The image of the SVB's organizational practice shows a strategic management process that is hierarchical and thrives on a blend of power and obedience. Taylorian elements are still evident in the labour process, such as the detailed functional prescriptions and the managerial control. The in-house ICT staff are relatively old, have worked at the company for a relatively long time, and the mobility and throughput is low. The staff are very loyal and tend to work hard towards the company objectives. There is no tendency in the SVB culture to be critical about managerial decisions.

One of the conclusions which can be drawn from the case study is that the in-house ICT staff have a privileged position in their practice and that they are aware of it and want to hold on to it. This can be illustrated by the following comment made by an interviewee:

*"I won't survive in a commercial environment, I have no ambition and here it is easy living."*

Specifically, the use of the word 'survive' makes this statement serious. The participant more or less says that the loss of his in-house position will mean the end of his working life. Outsourcing in particular threatens this position, and from this clear statement one may assume that this threat evokes constant feelings of anxiety among the in-house ICT staff. Some interviewees also said:

*"Outsourcing is not a good development, I am good in my profession. If it happens I will leave and apply for an in-house situation again."*

*"When it happens then I won't go, I will do something else, whatever, in the SVB."*

*"Outsourcing is stupid, but it does not bother me because of my age, I am already saying goodbye, they will buy me out, good!"*

This leads to the conclusion that many of them also have a clear negative vision of how to encounter or deal with outsourcing when it actually happens.

This would mean that the hypothesis is substantiated by the data. However, when explicitly asked about outsourcing, the participants also returned answers such as the following, from Edward:

*Edward: "I have to think about that thoroughly [not showing anxiety about outsourcing]. I think that I am like that, I wouldn't think there is a special reason for it, probably my urge for survival, that I can do a lot of things, so to say. I mean I was 18 years old when I left home and had to sort it out for myself, I have also had 1001 jobs, so to say, so I know for sure, I can definitely do more than just making a simple little Cobol programme, put it that way."*

This is a relatively relaxed attitude. At first sight, this reaction could be read as a form of resignation about outsourcing and not as a sign of anxiety. This is remarkable, because the constant risk of outsourcing and the past experiences of it (Sennett, 1999:

97) covered in the chapter about the SVB's practices give enough reasons for anxiety. This can more or less be seen as a refutation of the hypothesis.

This contradiction in feelings about outsourcing is a typical result from the case study, and it raises questions about the validity of the hypothesis. In the discussion below, the data is examined in light of the critical theoretical view of the human being in the contemporary strategic management process in order to find answers to these questions.

## 6.2 Validation of the hypothesis

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From my experience with the strategic management process and the application of outsourcing as a strategic management instrument, I developed a main research question:

'What are the effects of the constant threat of ICT sourcing on the well-being of the in-house ICT staff?'

Taking into account the literature on outsourcing and my knowledge of the daily practice of the technical in-house ICT staff, the initial hypothesis is:

'The in-house ICT staff of the SVB is constantly threatened by outsourcing. Management can and will decide to outsource at any time that it will lead to an increase in efficiency or fits into the considerations of the ICT strategy. Considering the past experiences and the personal characteristics of the in-house ICT staff, it is reasonable to assume that they have developed an intrinsic anxiety about outsourcing.'

Three assumptions can be identified in the hypothesis:

- The in-house ICT staff of the SVB is constantly threatened by ICT outsourcing;
- Management can and will decide to outsource at any time that it will lead to an increase in efficiency or fits into the considerations of the ICT strategy;
- Considering the past experiences and the personal characteristics of the in-house ICT staff, it is reasonable to assume that they have developed an intrinsic anxiety about outsourcing.

Testing these assumptions against the results of the case study, the practice of the SVB and the theoretical considerations, reveals arguments which help to validate the hypothesis. If the case study results and the practice of the SVB are in line with the assumptions, then the hypothesis is substantiated. If not, then it is partly or completely refuted and reasons for this must be examined. Quoted material from the case study participants and the practices in the SVB are highlighted and discussed in the context of a range of appropriate theoretical angles. The following areas

are considered:

- ICT staff and the constant threat of outsourcing;
- Management and ICT outsourcing;
- Anxiousness of the ICT staff.

### 6.2.1 ICT staff and the constant threat of outsourcing

In the outsourcing decision-making process, the individual, who bears the most personal consequences of it, has no influence and is ignored as an agent. This negation of the human being in the organization is a typical feature of contemporary organizations, as is shown in the treatment of individuals by the organization and management theory, and it amplifies the reifying effect. The organizational advantages of this practice are clear, and the only disadvantages are soluble through normal organizational means, human resource management, management techniques and money. However there is a form of passivity and indifference with regard to the employee. In contemporary organization and management theory, despite the prominent place given to human resource management in the strategic management process, the human factor is absent (van der Ven, 2008: 27). The prevailing theory and practice sees human resource management as mainly an organizational mechanism aimed at the selection and preparation of the right workforce for efficiently reaching business objectives (Townly, 1993: 518-519).

Employee passivity is advantageous to the management of organizations in the outsourcing process, but where outsourcing is a constant threat it can lead to negative implications such as decreasing productivity and creativity due to a sense of nihilism that comes with the hopelessness resulting from a loss of trust. At the same time, the negative effects on the ICT professional are less visible because they are often very well hidden under a façade of organizational positivity and optimistic drive. If the characteristics of the 20<sup>th</sup> century substantiate this ‘natural’ form of antagonism, as Badiou (2006: 32) defines it, then outsourcing is a culmination of it.

In contemporary organizations, management takes it for granted that it is ‘normal’ to make decisions with negative consequences for the individual employees, passing over their rights for the sake of the company goals. This resembles the exertion of power by organizational hierarchies in which the rights of certain groups of people are denied (Foucault, 1980: 198-199). In contemporary management literature, however, this is framed as a way of subtly persuading employees to increase their investment in the organization, and is described with expressions like ‘making meaning’, ‘quality improvements’, ‘creation of commitment’ and ‘teamwork’. The team concept has been widely used in many companies to ‘create’ loyal employees, who will efface themselves for the sake of the company goals (Sennett, 1999: 114-116). Current management practice goes even further, reaching for still more advantages by applying the accompanying techniques to the manipulation of the employee’s ‘hearts and

minds' in the interests of the company (Willmott, 2003: 73). The question arises as to why employees sacrifice so much of their freedom and neglect their own drive for self-fulfilment for the sake of the company goals.

According to Sennett (2006: 80) the mass of modern employees "remains more institution-dependent." Organizations, however, do not provide the certainty and continuity that the employee is looking for. The longing for certainty and continuity comes in very handy for the organization and management, and the result is often loyalty. "An element of loyalty is thus incorporated into character and makes it turn towards fidelity, hence toward maintaining the self" Ricoeur (1994: 121) writes, pointing out the proximity of loyalty to survival, and thereby implying that employees are vulnerable to being manipulated into applying themselves to the achievement of company goals. One of the interviewees stated in this context: *"Let it [outsourcing] never happen, I don't want new challenges, certainty is important for me, I work here because I want lifetime employment."*

By the absence of a meaningful vertical relationship (Buber, 1999: 57), the employees, in their need for a sense of security and certainty, long for answers about their situation. A vast majority of the participants in the case study, on being asked what they wanted from their management with regard to outsourcing, mentioned communication, transparency and openness as desirable management behaviour. They explicitly ask for the meaningful relationship that Buber is talking about, with the associated communication, and their questions imply that this doesn't presently exist. Although the tendency is to believe that the employees involved find horizontal communication the most important, the research reveals this not to be the case; vertical communication is far more appreciated by employees (Postmes et al., 2001: 228; Ho et al., 2003: 81). The lack of a 'vertical relationship' is compensated for by the individuals through the formation of 'opposite groups', resulting in the discord between management and employees mentioned earlier. This is beautifully expressed by the case study participants in the discussion of the photograph 'Empty corridor', where they describe their secure, closed rooms with their warm relationships and the manager's room at the end of the corridor where 'death peeks around the corner'. This discord can turn into either animosity or servitude on the part of the employees. In both cases it concerns a forced effect upon well-being and freedom, because, in principle, the employee is seeking a community, a warm and cosy place, like the living room at home. Some of the participants explicitly describe the SVB in this way, something they find a positive feature of their in-house organization.

This research has also shown that the active life with the other is an important condition in the search for self-fulfilment. Levinas (2006: 86) expresses: "As the human begins, so the subject begins, from out of his relationship with the other, his obligation

to the other.” [FB]<sup>73</sup> It can be concluded from the case study that the participants still consider the non-profit environment to be relatively better in this context than the commercial outer world. John asks himself and the group:

*John: “And that is also sometimes the question, is there life after the SVB?”*

*Silence.*

They are wondering whether they would ever be able to find the same working environment outside the SVB.

Paul says about this issue:

*“Because then [in the in-house situation] you have, just like here, your steady group of colleagues around you. By the same token, with a send on secondment situation you have different colleagues around you every 3 months, you have no bond with your work whatsoever.”*

The participants are convinced that the bond they have with their colleagues is only possible in an in-house situation. They are also convinced that they would lose these active relationships in a commercial environment, where in their opinion, real fraternal relationships with the other are completely lacking. Here the participants are strongly displaying the fundamental human need for developing a complete identity through their relationships with others in their working lives. They explicitly state during the case study that this, for them, is one of the most important motivations for staying in the in-house situation; in the words of some of them: *“A bond with the group”, “real contact with the customers.”* This is what they fear most to lose in a cold commercial situation. One of the participants, a former commercial ICT employee, stated in the SPM-workshop: *“Before [commercial, software house] I was a number, now [the in-house situation] I am a normal human being.”* And just this sense of identity, being so much more than just a number in the personnel record, or worse, on the customer’s invoice, is important for the self-fulfilment of the individual worker.

In outsourcing they see the competitive commercial world more or less infiltrating the SVB decision process and creating its own opportunities. *“Outsourcing decisions are made on invalid grounds forced by external specialists.”* The participants were convinced that this would destroy the advantages of the in-house situation, saying: *“Outsourcing is a perishable trend, it worries me.”* They clearly see the threat of commercial dominance: *“The interests of the ESP are commercial, thus totally different from those of the SVB.”*

In these expressions one can see the distrust of commercial management, its drive for efficiency and its market view. The idea of becoming a member of this and becoming a number, a ‘cog’, in the commercial ICT industry, makes them feel threatened and

<sup>73</sup> “Want het menselijke begint, het subject begint vanuit zijn relatie met de ander, zijn verplichting aan de ander.”

they fear losing the comfortable life offered by the in-house situation. Based on what they already know of the commercial environment, some of them by experience, some from stories and some by projecting their feelings into an imaginary future, they come to the following conclusions: *“A commercial environment means high job requirements.”; “A cold working environment.”; “Working, day and night and tomorrow you can be dismissed.”; “Being sent to different customers every time.”; “No bond with colleagues.”*

The employees don't seem to have any influence on the decisions of the collective to transfer them to a commercial environment, the one environment they loathe the most.

Edward says from his own experience in this context:

*Edward: “Well, I have a very bad feeling about that, because in our case [in-house; non-profit], the ones who are outsourced are never advantaged by it; in principle, only the outsourcing organizations [ESP] gain from it.”*

Daniel is following his own perception when he says:

*Daniel: “There is much less commitment with the work being done [when outsourced].”*

Clearly the participants see the disadvantages of outsourcing too and react accordingly:

*Paul: “I should think it is a waste. For myself it doesn't matter, but I should think it is a waste, I think, I can't believe that it is cheaper to outsource than to have a group that has known the system for a very long time.”*

They express a form of personal indifference about outsourcing and explain that it would damage the processes, the organization and their colleagues.

*Sam: “You see especially in the non-profit companies, they have risked their good reputation and they didn't like that, because communication is one of those things which are difficult.”*

They also state that the reputation of the company will be damaged by outsourcing, especially since reputation is considered to be precious in a non-profit organization.

*John: “I will have peace of mind if this stuff goes to another country that doesn't have this. Definitely not to China or Russia [offshoring locations]!”*

*Nick: “But what is a very interesting point, at a certain moment it is transported to countries where a lot of outsourcing goes to. There it is sometimes reused, or people walk on the garbage dump, picking out those things. I saw a documentary about that just a short while ago, e.g. in China, a lot of stuff from the West disappears to a garbage dump for poor people, who pick out all the parts. And also a lot of outsourcing is exported especially to China, to the big cities, but also to people with all new products.”*

Thus even the ‘charity’ of the capitalist West, shipping its obsolete ICT products to economically underdeveloped countries, is seen as a threat, in terms of the offshoring possibilities of the Third World. This issue raises concerns among ICT professionals, who worry about losing their jobs because of this so called ‘foreign aid’.

In conclusion, it can be said that although people search for ways to reach their good life according to their (albeit defective) requirements, life in contemporary organizations gives them very little in the way of opportunities. However the in-house ICT staff are convinced that there are still some enclaves left in the capitalist paradigm where they can fulfil some aspects of this drive and feel some form of well-being. These enclaves are the in-house situations in non-profit organizations, where the ICT staff can build up relationships in their own relatively safe and comfortable environment, and they desperately try to hold on to this. But more and more, these enclaves are vanishing, consumed by the rational capitalist drive for efficiency. Based upon what has been said during the case study and the interviews, it can be confirmed that the technical in-house ICT staff of the SVB feel constantly threatened by outsourcing.

### 6.2.2 Management and ICT outsourcing

What is striking in contemporary society is “the broad terrain of organizing which affects so many people’s daily lives” (Grey, 2002: 2). One of the first things noticeable in contemporary organizations is the multiplicity of different tasks and positions and the bureaucracy and hierarchy required to control this, both characteristics of the division of labour. Another thing that draws the attention is the management layer, distinguished from the workers’ layer in the strategic management process, and put in place to direct and control based upon the organizational objectives, the main one being efficiency. From the standpoint of the company owner or upper management, management plays an important role in accomplishing these objectives. Because the strategic management process only performs as desired when the workers comply with requirements, management plays an important role in the individual worker’s drive for self-fulfilment. Over time, the management role has evolved from functioning merely “to forecast and plan, to organise, to command, to coordinate and control” (Fayol 1916/1949 in Watson, 2006: 36), into “a human social craft, the ability to interpret the thoughts and wants of others and the facility to shape meanings, values and human commitments” (Watson, 2006: 223).

The following discussion of the photograph ‘Prince2’ taken from the case study is an example of this tension:

*Nick: “I believe that it is also an appearance, these kinds of procedures, of security or something. That, apparently, is also invented by above [management] and by others, it is some kind of trend, that they have invented some kind of trick. Well okay, there are some good aspects to it, but it is also: it gives a certain feeling of security.”*

*Tina: “Appearances ....”*



Nick: "Because finally the workers just have to do it themselves."

John: "Who has decided that we suddenly [have to use] *Prince2*..., where does it come from, it doesn't come from below [work floor], but from above [management and higher]."

Paul: "Definitely not from the work floor, that is clear."

John: "Does it come from the ministry? We are an administrative organization. I mean that we can't choose to do these things ourselves, but sometimes these things are forced upon us: you must work according to *Prince2*."

Paul: "It's just a fashion."

Mary: "It is a kind of trend."

In this example the employees are expressing their confusion about managerial actions and how to react to them. In the end they surrender by turning to a form of distrust and indifference, projecting the threat 'outside'. Management mostly reacts by applying more techniques to stay in control, which then evolves into a negative spiral in which the employee can't escape the 'iron cage' and increasingly experiences the organizational and managerial processes as repressive. "*Am I imprisoned here?*" Nick asks himself.

Managers have a wide range of management techniques at their disposal, mostly "derived from social science" (Grey, 2002: 13), to refine their skills in this 'manipulative' process. Even "ideas of autonomy, individuality and/or self-determination are seized upon for the instrumental purpose of extending and deepening control over employees' hearts and minds" (Willmott, 2003: 75). The result is a misunderstanding in the collaboration between management and workers, namely that the workers tend to think that what the manager is telling them is the 'truth'. Because this is not the same as their own 'truth', a tension emerges, the problem of loyalty to their own beliefs. This can lead to the repression of the worker's own desires and the deterioration of the freedom of individuals in contemporary organizations in their drive for self-fulfilment.

Managers hold a privileged position in the organization, being the extension of the owners of the company and controlling the strategic management process. The word 'extension' implies a relationship with the owners, but in practice the management in an organization forms a block of power and operates more or less independently of the owners. The management is part of, and the performer of the bureaucracy, the strategic management process that keeps itself in place; the "self-perpetuating bureaucracy" as Fromm (1968: 27) beautifully calls it. Management has delegated power over the workers, resulting in a hierarchical relationship in which the management normally decides what is best for the company; their own 'perpetuation', intended or not, even if it has negative consequences for the employees, like reengineering, downsizing and outsourcing. Paul's reaction to these managerial actions is: "*You all do what pleases them [management], I will goody-goody fill in my statistics, that you need, if you want me to.*"

This can be interpreted as a form of passivity, keeping your head down, “hoping to become invisible to the managerial tigers, fearing the next blow of the corporate ax” (Charles Hecksher in Sennett, 2004: 190), “The socialist Jill Andresky Fraser calls this ‘emotional detachment as a survival strategy’” (Sennett, 2004: 190).

On the one hand, management is responsible for the company’s effective performance of its tasks, using the resources in the most efficient way possible to reach the company goals. On the other hand, management is also responsible for motivating the workers, called ‘human resources’ in contemporary organizations, in such a way that they perform voluntarily to the best of their ability. Mainly because human beings are involved, fairly simple management tasks become complex in their application in practice (Watson, 2006: 10). The abovementioned integral management responsibility makes the profession of SVB manager a debatable one. The former responsibility involves the manager’s entrepreneurial talents and ability to run a (part of a) company in the most competitive way, aiming at the highest possible result for the shareholders. This talent is a very special one, because of the strange fact that it is contrary to the human drive. The individual manager struggles with the often contradictory consequences of the accomplishment of his/her own personal drives, and directing their passionate behaviour towards accomplishing the goals of someone else, the company owner (Willmott, 1997: 1353-1354). The latter responsibility addresses the manager’s talent for manipulation, meaning in this context motivating the workers towards the goals of the former responsibility. In this context, Ben asked during the case study: *“How much does the SVB [management] tell its employees, what are they allowed to hear?”* And Paul answered: *“Hardly anything!”*

The manager is prepared to work hard for the company objectives, and ‘by chance’ s/he seemingly has the support of the scientific world to do his/her job in the form of the overwhelming quantity of techniques at his/her disposal. I don’t agree with writers who, because of the manipulative use of these techniques consider the manager to be a “classic wolf in sheep’s clothing.” [FB]<sup>74</sup> (Coenen, 2004: 14), which implies some form of wickedness. In my opinion it is more the combination of the ‘naïve’ human drive with the availability of all kinds of guru talk and substantiating techniques to fulfil it.

The emphasis on rationality and quantifying, wherein the employees are considered as a resource by management, is well illustrated in the case of outsourcing. Workers are, together with the assets, moved from one organization to the other, mostly without a ‘vote’. The extremity of this process, already in the 1960s and with a link to automation, is best described by Fromm in the following quotation: “The societal machine works more efficiently, so it is believed, if individuals are cut down to purely

<sup>74</sup> “Klassieke wolf in een moderne schaapsvacht”.

quantifiable units whose personalities can be expressed on punched cards” (Fromm, 1968: 34). In this rational process the workers find themselves dependent on their hierarchical relationship. In principle, all of the decisions made by management can affect the worker in this way, thereby having an impact upon his/her well-being and resulting in an ambivalent attitude towards management. The interviewees expressed this negatively by saying: *“Don’t be a nuisance to me, don’t bother me and my work, don’t get in my way.”* Suggesting improvements in the managerial part of the hierarchical relationship: *“Show interest in the employees, commitment.”* And *“Care about the people, be friendly.”*

Management outsourcing decisions are among those having a large effect on workers’ security and job continuity. Employees need the recognition of the other in order to build and maintain their identity, and it is likely that these outsourcing decisions are experienced by workers as a denial of recognition in their hierarchical relationship. People with these experiences often have feelings of insult or degradation (Honneth, 1995: 249), associated with the cultural downgrading of a form of living which jeopardizes the identity of human beings (Honneth, 1995: 252). In their organizational life, employees have few alternatives to these experiences which can lead to feelings such as agitation, powerlessness, uncertainty, treason, pain, frustration, force, contortedness, threat of dismissal or transfer, harassments and aggression, that Coenen (2004: 7) also mentions in his research. During the case study there was a parody on the concept of ‘light at the end of the tunnel’ which expressed an encouragement to endure, because in the end there is hope for that the situation will improve. This parody is the following conversation:

*Paul: “Don’t walk to the light if you go into the tunnel, if you are in the tunnel you don’t walk to the light [end of the tunnel].”*

*John: “Not to the light.”*

*Paul: “Then you walk... [The manager’s room is at the end of the corridor].”*

*Tina: “Then you encounter death.”*

Despite the element of parody, this sounds serious and, if this is illustrative, it shows that the employees are, in principle, powerless against this situation in which management is using them to reach the company objectives. In this concept the power aspect is explicit and performed in the hierarchical relationship of management and their subordinates (Foucault, 1980: 133).

Those who make the decisions in organizations often believe they will not be affected by them. This makes the issue even more painful, because it makes it seem as if management does not think about the consequences of their decisions, as if they cannot imagine the possible anxieties caused by them. I cannot believe this and in my opinion it is not true - there is something else happening here. If one studies management closely, as Tony Watson did, then it becomes clear that managers have “all the human

frailties and anxieties of the other people whom they seek to influence” (Watson, 2006: 179). They are also, from another perspective, normal employees with every concern that comes with that (Willmott, 1997: 1347). So managers must be able to feel the consequences of their decisions, raising the question as to why they proceed with them. Maybe it is just that power relationships are very dangerous in any kind of human activity because of their intimidating nature in producing and sustaining their “‘régime’ of truth” (Foucault, 1980: 133). In my opinion, the human being in a managerial role must not be judged too harshly, because in the end s/he also is a ‘cog’ in the strategic management process and therefore has little choice or freedom. “One forgets all too often that these managers and certainly the middle management are actually just as much prisoners of the same alienating system as the workers” [FB]<sup>75</sup> (Fromm, 1980: 159). Managers have to keep up appearances in order to keep the process going, protecting their personal existence and that of the dominating management layers. The management profession therefore involves ‘acting’ (Watson, 2006: 209), playing the role of the organizational agents who know and can offer (false) certainty in their decisions.

In conclusion it can be said that management ‘plays a large role’ in the life of the workers, affecting their search for self-fulfilment. Management aims to achieve the company objectives and is prepared to apply all kinds of techniques to manipulate the workers into reaching these objectives. Accordingly, managers will not hesitate to apply the strategic management instrument of outsourcing, even if it means negative consequences for the employees involved. Outsourcing is an increasingly common management instrument in non-profit organizations, and is thereby a real threat to the relatively safe and comfortable environment of the technical in-house ICT staff. The statements made by the participants in the case study and the interviews confirm the assumption that the management of the SVB will apply ICT outsourcing as a strategic management instrument, whenever it is advantageous in the context of the company objectives. The management of the SVB therefore plays a large role in the constant threat of outsourcing.

### 6.2.3 Anxiousness of the ICT staff

The SVB, like all companies, must survive in the current capitalist paradigm that is an inheritance of the 20<sup>th</sup> century, and like all companies, it has comparable features: it is rationalized, cost driven, and inclined to mediocrity (Badiou, 2006: 12). The SVB’s strategic management is also increasingly comparable to the rest of the market in the utilization of methods and instruments whereby cost optimization and business continuity is the creed. Outsourcing already has a place in the process and naturally

<sup>75</sup> “Men vergeet ook te dikwijls dat deze managers en zeker het middenkader eigenlijk evenzeer als de arbeiders gevangenen zijn van hetzelfde vervreemdende systeem”. For this quotation, the 1980 edition of the 1968 original is used because of, for this research, valuable alterations of the author.

it's influence will increase just like it will in the market (Giarte and Morgan Chambers, 2008), until it is considered a normal management instrument used in a continuous assessment of the process portfolio.

The in-house ICT staff are fully aware of the effects of this constant threat of outsourcing:  
*Sam: "I always have the impression that all these kinds of ideas [standardization] are being implemented to make you quantifiable, a figure comes out of it."*

This shows that the result will most probably be a constant threat for the employees in two ways: first, the dependency on management decisions, which they don't appreciate, and second, the stress about being forced into the commercial environment by efficiency measures like outsourcing, as a result of their performance declining in comparison to (standard) market performance. From the information outlined in previous paragraphs it can be assumed that this would lead to considerable anxiety among the workers involved. If this is the case, then the in-house ICT staff must give signals of this anxiety in one way or another.

Throughout the case study the participants express their view of the objective managerial drive for efficiency in relation to outsourcing:  
*"Outsourcing decisions are made on invalid grounds, forced by external specialists [engaged by management]."*

They stress the effects of it in the performance of their tasks:  
*John: "No, there is something positive expressed, finally we are counting, you are doing well, very well, but you must do better."*

...

*Paul: "Yes but, the little statistics will tell us nothing else but the conclusion that it works. Because before you did not have the information, how many hours of difference reviews make in production, so now CMM can say, yes look, this has differed so much in production, so eh... CMM is terrific."* [The last expression is clearly cynically meant.]

The standardization that leads to more transparency and control in the work process with the aim of continuous improvement also results in a form of psychological pressure.

These expressions occur frequently during the case study and all have the same outcome; namely the participants are made aware of the managerial drive towards transparency by the control measurements and quantification of their work. Nevertheless, at no point during the SPM or the interviews do the participants show any form of fear or anxiety about outsourcing. When explicitly asked about the threat of outsourcing, however, certainly the number of comments made by the ICT professionals comparing the in-house situation with the commercial environment is very convincing. The participants are almost unanimous in regarding outsourcing as

something that is not good for the in-house ICT professional or even for the company involved. During the interviews especially, outsourcing was seen as a concern. The concern shown was all about the company – they gave reasons as to why it is very bad for the company, such as the flexibility, the control, the increase in costs, and the innovative power. According to the interviewees, outsourcing makes the company rigid, not least because of the loss of expertise. Daniel says in this context:

*Daniel: "Because outsourcing also has a lot of disadvantages, I have understood that there are companies that are reconsidering it."*

Daniel is convinced that insourcing is increasing rapidly, so advises the company not to outsource, and to wait instead. He is more or less saying: 'come to your senses', 'look what is happening in the environment', 'outsourcing is at its end', 'companies are reconsidering it'.

The majority of the participants are convinced that outsourcing is a threatening phenomenon, and a very stupid thing for the company to do, for various reasons:

*"It is stupid, bad. We can do it much better than the ESP, because we are involved."* (Addressing the aspect of greater involvement by the in-house ICT staff.)

*"It is a hype and it will definitely stop again because it's bad for the business and higher in cost."* (Addressing competitive and financial reasons.)

*"In-house with its good, committed people is always better than outsourcing"; "We are always better."* (Because the in-house ICT staff are better skilled.)

Tina states: *"Well, yes, that danger of outsourcing, that is of course always present."* In her 'comfortable' situation, she inevitably considers outsourcing to be a constant personal threat.

Although all of these statements represent certain negative feelings concerning outsourcing, they do not express fear or anxiety, but much less extreme feelings such as worry. In relation to the extreme nature of the subject, outsourcing, the expressions tend more towards emotionlessness or indifference, resignation. This attitude is strange – considering the foregoing discussion, it could be expected that participants would show some anxiety about the threat of outsourcing.

### 6.3 Surprising findings

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The impact of outsourcing can be regarded as a major organizational change, with similar features to those of reorganization, or even reengineering, and having a large impact on the individual employee. The Dutch trade union FNV<sup>76</sup> published some research into this phenomenon with a clear outcome, namely that reorganizations in the working environment result in health complaints and stress (Warning, 2009). Job insecurity is a cause of negative psychological effects for employees, even to the extent of physical consequences, as has been abundantly stressed in the research (Probst, 2005).

Outsourcing, however, is a specific sort of reorganization, because it addresses the comparability of the performance of several company tasks, thereby also saying something about workers' performance. When management starts thinking about outsourcing, there is already a desire to seek opportunities for increasing efficiency. In this constant managerial drive towards organizational efficiency, and therefore towards increasing shareholders' value, the employee is seen as at best a resource, but mostly an obstacle to the execution of the outsourcing. By the time management is deciding to outsource, it has already passed the stage of considering the human beings in the organization and is ignoring them, treating them as equal to the other resources that go with the deal, and trying to negotiate the best transfer.

The process of outsourcing addresses two major aspects. Firstly, the tasks are considered to be performed worse by the people in the company than by other companies. Secondly, the workers are regarded not as human beings, but as mere obstacles in an efficiency process. For the workers, this results in insecurity about their life in the company and feelings of inferiority, often after they have already had a long, intense relationship with it. Outsourcing might therefore be experienced by the workers as a lack of recognition by the employer, affecting their happiness and self-esteem, and their well-being.

The ICT staff are well-informed about the high (and still increasing) incidence of outsourcing deals and the consequences of the outsourcing process. Although there are signs that some outsourced professionals 'live happily ever after', the communication by the in-house ICT staff seems to indicate that they are most worried about the dramatic transition phase. In this phase, the ICT professional is often treated by the management as an unimportant part of the deal who is expected to cooperate in the smooth abolition of their working environment and to bravely enter the unknown, with, at best, some financial compensation. For various reasons the ICT staff are not capable of or willing to consider this inevitable, potential drama in the context of

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<sup>76</sup> Federatie Nederlandse Vakbeweging: the union for employees in agriculture, industry, business services, trade and personal transport.

their own comfortable in-house situation, which will end when (parts of) the ICT department will be outsourced to a commercial organization. In this ambivalent situation the worker is pulled from one side to the other, between proactively showing initiative to improve his/her situation, and showing indifference.

During the case study, participants displayed an ambiguous behaviour – a sort of self-protection and repression, as if hoping the current situation would last. Coenen (2004: 121) mentions 'slack' as a 'work' attitude, by which he means a space between emptiness and a Calvinistic work-attitude, a passionate indifference, a form of aimless acting. Although he refers to an attitude external to organizations, in my opinion there is also something similar present in organizations. This ambiguous attitude concerning their work leads employees to self-reification as a result of denying their own desires in the drive for self-fulfilment. Honneth (2008: 82) presupposes "a specific type of antecedent recognition" for our self-relationship, knowing and articulating our own desires and intentions, which I call self-recognition. This is prevented in the strategic management process, and is transformed by communicative manipulation into the articulation of the company goals. In this process the employees identify their own aims with the aims of the organization, repressing their own urge for sublimation. As a result, it is becoming acceptable in organizations to deny the individual's right for the freedom to lead his/her own life. Not having the freedom to express oneself in one's active social life affects the well-being of human beings.

In my opinion, the situation described above has a lot to do with the manipulation of the collective and unconscious repression of the individual drive for self-fulfilment in favour of survival in the group. This repression of the search for self-fulfilment has evolved from the rationalization of organizations. Assuming that human beings have an intrinsic drive for self-fulfilment, in the case of outsourcing they have found a way to repress this drive when it is (potentially) obstructed. The research so far reveals that managerial manipulation in modern capitalism plays an important role in this repression.

The conclusion to be drawn from the discussion of the findings in the context of the hypothesis is that the hypothesis concerning ICT staff anxiety about outsourcing at the SVB is refuted. Although there are signs of threat and managerial rationality in the case of ICT outsourcing, this somehow does not evoke feelings of anxiety among the in-house ICT professionals. This elicits the question: why?



## 6.4 Why are the signs of anxiety absent?

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The conflict between the organizational drive and the individual drive is one that often ends in antagonistic work relationships. On the one hand, management tends to negate the employee's personal needs in pursuing the organizational goals. On the other hand, the organization depends on the labour power of the employees and management requires not only the intellectual powers of the individual, but also his/her emotional power, in order to reach the company objectives. There are two groups of actors in this process, the owner/manager and the workers. In the strategic management process the owner/manager, representing the collective, approaches the employees as (human) resources, largely disregarding the individual drive. The collective employs ever more creative techniques in incorporating the individual into the organizational drive. This process, in which management is the intermediary, leads to obedient, docile manageable employees, who help management to reach the organizational objectives as if they were their own. This has a negative effect upon the employee which Fromm (1968: 35-36) calls "dehumanization in the name of efficiency" and it is, as he saw as early as the 1960s, an all-too-common occurrence.

The developments arising from this research shine a new light on the human being in contemporary organizations. To proceed in an effective way it is now necessary to reconsider the theoretical view of the human endeavour in organizations in order to find anchor points in theory concerning the findings from the data. This will be discussed further after a second interpretation of the data to find out why the case study participants displayed the aforementioned attitudes.

## 6.5 The human endeavour in organizations

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One can comprehend organizations as primarily "social statements about the I/other relationship" (Letiche and Boje, 2001: 17), in which management and ICT staff encounter each other in the strategic management process. Organizations without human beings do not work, therefore the human factor in organizations is crucial. But conversely, the organizational factor in the life of human beings is crucial. Because organizational life occupies a considerable part of the life of the human being, it plays an important role in the achievement of personal aims. In this human endeavour, it is understandable that something like outsourcing will have a major impact.

This paragraph follows the assumption that "every art and every inquiry, and similarly every action and choice, is thought to aim at some good: and for this reason the good has rightly been declared to be that at which all things aim" (Aristotle, 1995: 1729). That this statement comes from Aristotle means that it is "one deserving our most serious scrutiny" (Nussbaum and Sen, 1993: 244).

This drive for the good is something very personal, a matter for the individual alone in his/her struggle. It presupposes the individual's free choice, and it is devastating for the success of the endeavour if this free choice is not available.

In daily life the human endeavour is mainly performed in relationship with other human beings in a collective environment, such as society in general, or organizations of any kind (Ricoeur, 1994: 172). Some of the struggle for the good life takes place in this relationship, in the field of tension existing between the collective and the individual. The dependency of the individual on the collective both helps and impedes. It helps, because it is only as an accepted member of a group that one can develop oneself as a human being in the way that is crucial for one's well-being (van Leeuwen, 2006: 409). Marcuse (2009: 53) combines aspects like social activity with freedom and happiness in his formulation of "the essence of man". He specifically places the emphasis on the fulfilment of one's own potential according to one's own life-planning. The aforementioned dependency is also an impediment because, as in the case of outsourcing, which will be further assessed later, the goals of the collective often do not synchronize with those of the individual.

Looking at contemporary society, one sees a life of luxury and decadence and the question arises as to whether modern human beings do aim at a good life. Is every single soul working consciously and passionately towards overcoming these temptations, or must we believe the assertion of Ortega y Gasset, that in contrast to the very few excellent human beings, there is a mass of 'common' men and "the former is the one who makes great demands on himself, and the latter the one who makes no demands on himself, but contents himself with what he is, and is delighted with himself" (Ortega y Gasset, 1993: 63), thus resembling a spoilt child (Ortega y Gasset, 1993: 58). I reject this standpoint and believe there are numerous differences among the individuals in the so-called 'mass'. Peeters (2006: 93) found that even Ortega y Gasset himself was convinced of the variety among the individuals in the mass. To me, this proves the fact that the mass as a qualitative phenomenon does not exist and is just a quantitative designation, which negates all of the interesting qualitative differences between individuals, denying their existence.

This differentiation among individuals implies that there are just as many different struggles towards, and perceptions of, 'the good life'. Life for a Chinese peasant is something completely different from the life of a bourgeois living in roaring 21st century inner city Amsterdam. "There have been at different times and among different people many varying conceptions of the good life" (Russell, 2004: 9). Can major characteristics be detected in this variety of conceptions? From the philosophical angle, Aristotle says that the highest of all good achievable by action is happiness (Aristotle, 1995: 1730). From the psychological angle, Freud says "One thing only do I know for certain and that is that man's judgements of value follows directly his

wishes for happiness” (Freud, 1989d: 111). Marx – and nobody stated this more clearly according to Fromm (1980: 71-72) – saw the good life from the sociological perspective as a state of freedom in which the workers could reach a form of well-being in identifying themselves with their work and the products they produced, together with their free fellow workers. The humanist states that the good life is related to a dignified existence by saying that “an existence without freedom, equality and solidarity is unworthy of man” [FB]<sup>77</sup> (Praag, 1978: 136). The conclusion is that there are many different ways to describe the good life, but there are consistencies. Living in a human context in active relationship with others aiming for happiness is necessary, and freedom is very important. A minimum of knowledge and conscious planning of one’s life are necessary. Love, in the (Levinas) context of care for the other and for the environment, is necessary.

In the ancients (e.g. Plato, 2000: 508b-509e, 264-266) ‘the good’ was considered to be a perfect state and not something actually to reach, but to aim at and to use as a touchstone. In so aiming, the emphasis was upon social relationships, happiness, freedom, knowledge, life planning and love. People should keep in mind that if this is dependent upon human capabilities, imperfect as they are, it is a view we can all enjoy. “Therefore in aiming at a good life the limits of human possibility must be borne in mind” (Russell, 2004: 13). Marx, and with him the whole current of socialists and philosophers who have built on his ideas, considered well-being to be a state everybody could reach.

If this small and swift analysis is taken as a starting point, one can also extrapolate more stages of good living. As previously mentioned, Aristotle wrote that every creature is in motion towards a better state, and human beings add a rational dimension to this ontological dynamic. Every human being, therefore, aims both implicitly and explicitly for the better, with ‘the good life’ as the focal point. Using the good life as the ultimate goal that every being implicitly and explicitly aims for, it can be concluded that individuals move at their own tempo and are at their own stage in their endeavour. Hence it must be asked whether the struggle for the good life is something that can be influenced for better or the worse by internal or external factors. If the emphasis is on the importance of reaching as far as we can in our endeavours, then the obstruction of these endeavours must be considered a human tragedy.

People cannot stop aiming, but one can, more or less, aim badly or well. This is partly an intrinsic choice, such as following one’s desires, and partly externally influenced, as in the case of outsourcing. “The point is that everyone makes some choices and acts somehow or other” (Nussbaum and Sen, 1993: 247). In the drive for a good life, it is important to determine which choices and actions are good and which are bad.

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<sup>77</sup> “Een bestaan zonder vrijheid, gelijkheid en verbondenheid mensonwaardig is”.

In this research, the individual is observed in the organizational environment in order to determine the effects of outsourcing on his/her behaviour. The intention is to look for aspects or conclusions which can be tested against the individual and the collective endeavours. The discussion above compared the different theoretical angles and concluded that the three basic components of the good life are love, knowledge and action. This is reminiscent of Bertrand Russell's very short but beautiful definition of the good life: "The good life is one inspired by love and guided by knowledge" (Russell, 2004: 10), which in this context can be combined with the Aristotelian concept of action. These three aspects, therefore, will be used to further elaborate upon the life of the individual within the collective, with the aim of determining those aspects relevant to the research.

### 6.5.1 Activity in community

Human beings build their identity essentially in a social environment. According to Peeters (2006: 158), identity is nothing more than a place in a social existential web. The connection between successfully growing an identity and the necessity of a social environment in which this has to take place, is most firmly stated by Jung (1993: 101), who compared it with the elements essential to life, such as oxygen, water, protein, fat, etcetera. Others define this connection as an essential condition for the development of one's self-identity (Sherif et al., 1965: xii; Tajfel and Turner, 1986: 40). Apparently, in order to fully develop and to lead a full life, people need to live in communities or social groups. The question arises as to what social groups are and how they can be distinguished from other forms of communal living. According to Hogg et al. (2004) and Sherif et al. (1965), groups are not just a collection of identities – just as important is the similarity of self-identification shared by the different group members and the way they share a certain attitude to the outer world, especially other groups. This is the situation in which people grow social identities. "Group membership is a matter of collective self-construal – 'we', 'us', and 'them'" (Hogg et al., 2004: 251). Living in groups adds something of utmost importance to the existence of a human being and thereby differs from the individual existence and even from close personal relationships.

People tend to live in different categories of groups, and they divide their lives into groups they belong to, can hold on to, and can identify with. This is expressed in their hectic environment "...whose frenzy and pace conceals a multitude of spaces of association, from workplace and educational sites to angling clubs and public gatherings" (Amin, 2006: 1020). Over time the attraction and importance of the membership of groups for the forming of a social identity shifts constantly; it is a dynamic process. For example, only decades ago in the Western world, the church was an anchor in the existence of social groups. In contemporary society this focus is shifting to the work environment, the organization, the brand or the profession. These anchors are increasingly becoming an important part of our lives, and becoming essential as one of the life-worlds where our social identity is formed (Terry et al., 2001: 268).

In contemporary society it is a part of the social dynamic and individual freedom to seek out and connect to groups with which one is convinced there is a fit. Accordingly, Hogg et al. (2004: 255) state that “people cycle through other accessible categorizations (e.g., political orientation, religion, profession, etcetera) until an optimal level of fit is achieved”. Being free to make your own choices within that social dynamic is essential for the self-fulfilment of the individual. The social group provides the individual with traditions which serve as a source of certainty in life. An example is religion, which, with its patriarchal order, has been an important support for many individuals, providing them with the certainty to survive as an individual human being. Jung (1993: 93) states: “Hence it [the social group] protects human beings from one of the greatest psychological evils, namely displacement, which is not only dangerous for primitive tribes, but also for civilized humans.” [FB]<sup>78</sup> According to Sherif et al. (1965), human beings ultimately aim at stability in their social group relationships. Any disruption in these groups of ‘ties and anchors’ is extremely painful for the individual, because they are intrinsic for the formation of the individual’s self-identity. “The suffering which comes from this last source [our relations to other men] is perhaps more painful to us than any other” (Freud, 1989d: 26). The natural attitude of human beings is to do anything to maintain group membership and to avoid being damaged by exclusion. If there is a discrepancy between the individual’s attitude to important issues and that of the ‘group’ they belong to, it will cause them stress and they will resist this dissonance, which will result in feelings of uncertainty and instability, culminating in repudiation (Sherif et al., 1965: 13). In this case, the individual suffers and in his/her perception s/he is experiencing exclusion, affecting his/her full membership of the community. According to Aristotle, this is a pre-requisite for living a good life, whereby full membership of a community must be understood as having a chance to occupy all positions. Denying this by excluding someone from his/her group, is therefore, according to Aristotle, the same as denying someone the opportunity to live a good life (Nussbaum, 2001: 349). In Aristotle’s time, only privileged individuals were capable of having a direct influence on the politics of the polis by their actions. Nowadays, by law, this is made possible for every citizen. The organization is a real and direct form of having influence in the community, and as long as one is seen as a full member of the organization, one has a chance to have influence in its course. But: “To be deprived of this chance is, then, not to be deprived of something peripheral to good living, but to be alienated from the ground and basis for good living itself” (Nussbaum, 2001: 349). From this discussion it can be concluded that people have a strong urge to belong to groups, to build a social identity, according to Hogg et al. (2004: 255), mainly for reasons of self-enhancement and the reduction of uncertainty. However, people are also vulnerable to exclusion, leading to damage and feelings of

<sup>78</sup> “Daarmee behoedt ze de mens voor één van de grootste psychische kwaden, namelijk ontworteling, die niet alleen gevaarlijk is voor bijvoorbeeld primitieve stammen, maar ook voor de beschaafde mens.”

inferiority and uncertainty.

People can react to this situation in two possible ways. At the one extreme is slavish, seemingly stoic behaviour; not defending oneself. At the other extreme is the quarrel monger, who can stay aggrieved almost forever, almost losing themselves in it as a way of life. Aristotle calls this latter category of people 'sulky' and hard to appease, and he states that although they seem passionate, the anger they express is just the result of repressing their passion (Aristotle, 1995: 1777). Aristotle reflects on the actions of people in the right manner, at the right time and about the right things. If no real action is performed in these situations, he disapproves. Worse still, is complaining and doing nothing.

In contemporary consumer society, people are said to search for a pleasant life wherein the search for virtue the good is replaced by the search for the immediate satisfaction of urges. Dohmen (2007: 198-199) refers in this context to an irrepressible advance of a petty bourgeois variant of the classical hedonism in contemporary Western society. People want it from the beginning; it appeals to our animalistic urges. Marcuse (2006: 22), basing his views on the Freudian pleasure principle (Freud, 1989a: 3), mentions the human life instinct, linking it to survival. But, in my opinion, this urge is not just intrinsic, it is also 'provoked' by external circumstances, like the consumption culture of the capitalist system, which Dohmen (2007: 20) sees as a human aim until death. These two approaches result in a form of hedonistic consumerism that can be interpreted as an 'ever-ascending spiral of more and newer', a marriage of manipulation and imagination which results in production and consumption. "A self-replicating cycle of dream, desire, acquisition, and disillusionment is then established within which the search for novel products is really a proxy for the quest for psychological satisfaction of the desire. Because of the nature of the process, disillusionment sets in after consumption, and new products must be found and consumed" (Migone, 2007: 183).

Daydreaming is a state of lesser or un-consciousness comparable with fantasy, a form of escape from repressive reality in which the lust principle can find a means of expression. Reason prevails, however, making fantasy or daydreaming in fact mostly a disillusionment, but always present (Marcuse, 2006: 142). The tension between fantasy and reason substantiates the contemporary 'addictive' drive for the immediate satisfaction of the urges. However, if people want to get a grip on their own lives and take charge of their drive for self-fulfilment, they must stand up, reject the manipulation of the capitalist market or its representatives and take responsibility for themselves. This implies a continual critical reflection upon and evaluation of one's life and its context, and the lives of others. Charles Taylor's emphasis on strong evaluation is applicable here (Taylor, 1989: 25-52). According to Taylor, strong evaluation is a condition for a conscious way of living, directed towards 'the good', whereas, in contrast, he positions weak evaluation as a basis for more superficial, desire-based preferences.

The former is the condition for, and, at the same time, based upon the human identity (Taylor, 1989: 30). This identity, the self, is formed by, and guides the choices in life which are aimed at the things which humans consider significant for their being, naturally aiming for what they consider to be 'the good' (Taylor, 1989: 34). This drive for the good is not absolute and unequivocal; each person considers it with different nuances dependent on the individual self as a basis "to trace the connection between our sense of the good and our sense of self" (Taylor, 1989: 41).

As shown in the foregoing discussion, it is a condition for living a good life to find one's perception of the good and connect to and direct one's life towards it by making certain choices. The choices, as we have seen, are dependent on one's self. If one feels convinced that one's situation is in line with one's ideas of the good, then one is satisfied, and there is a strong desire to hold on to that situation. If not, then there is a personal choice to act and to seek change. Each individual has a future, and each individual has some desired direction, whether vague or not. Any threat or action which does not arise out of one's own explicit, free choice and is an alteration concerning the life one consciously chooses to live, can be considered as damage. This means that it matters if one is acting and making decisions in a conscious way, directed towards the good life. Consciousness, therefore, is a precondition for the search for the good life, and the only way to live a conscious life is living in direct action and interaction with the social context.

Vulnerability can be a very serious obstacle for leading a conscious, active life in the community. External vulnerability entails not being self-sufficient enough to resist external influences, and internal vulnerability has to do with the lust for the bodily pleasures. Both vulnerabilities are interrelated.

Vulnerability to external influences can be called a characteristic of our era. Migone (2007: 174) calls it 'hedonistic consumerism', the latest evolution in the forms of modern capitalism and thereby an inextricable feature of the capitalist paradigm we live in. This paradigm includes the enhancement of liberalism, more or less starting from the Enlightenment in Western Europe. From this current stems the prevailing global attitude that every citizen should be allowed to follow his/her desires, even to an absurd extent, as can be seen in the excesses of wealth and power displayed in the contemporary capitalist paradigm (Newton, 2006: 11-12). In the Western world, we live in an era filled with temptations and pursuing them is not only allowed, but encouraged as a natural and good thing to do, almost a virtue. The result is that, especially because of mass media, people are confronted at almost every moment in their lives with enticements which are hard, if not impossible, to resist, given the weakness of human nature. Levinas (2009: 59) links this to a compensation for the loneliness inherent in contemporary capitalist society.

Internal vulnerability is the ground for greed in contemporary organizations, and just one example, of an American chief executive officer (CEO), is enough to describe how extreme this can get: “But all that money turned out to be irresistible; Kozlowski was caught raiding the company coffers (‘grand larceny and enterprise corruption’) for personal use – buying very expensive French masterpieces for his home (having them shipped to New Hampshire in order to avoid paying taxes on them), complementing the art with a \$ 6,000 shower curtain for his bathroom, finally throwing his wife a birthday bash largely at company expense on the island of Sardinia (replete with a statue of David in ice, spraying vodka from its penis) – to the tune of \$600 million” (Newton, 2006: 7-8).

The vulnerability of the human being to the internal lust for hedonistic behaviour, together with the external seduction of the market, creates a tension that tears the weak human being apart, creating serious confusion about his/her identity (Dohmen 2007: 21-22, referring to Sennett (2000: 146)), which can last for a whole lifetime. One’s identity, as we have seen, is the anchor point in a person’s search for the good life, and manipulative consumerism, as a part of contemporary life, is therefore a threat to the self-fulfilment of the individual. Dohmen (2007: 22) states that in order to find a way out, there are a few notorious pitfalls one has to avoid, such as indifference (I will serve my time), opportunism (I will see how it goes), recalcitrance, half-heartedness and stubbornness.

If people perceive exclusion from the group as an infringement upon their humanity, is it unjust to force this upon people? Aristotle thought of justice as the most important of all virtues, almost a meta-virtue that included the other virtues: “And therefore justice is often thought to be the greatest of excellences and ‘neither evening nor morning star’ is so wonderful; and proverbially ‘in justice is every excellence comprehended’” (Aristotle, 1995: book V, chapter 1, 1129b: 25-30). On the highest abstract level, this has to do with lawfulness, equality, freedom and choice, which Aristotle addressed respectively as follows: “The just then is the lawful and the equal, the unjust the unlawful and the unequal” and “Whether an act is or is not one of injustice (or of justice) is determined by its voluntariness or involuntariness” and “Of voluntary acts we do some by choice, others not by choice; by choice those which we do after deliberation, not by choice those which we do without previous deliberation” (Aristotle, 1995: book V, chapter 1-8).

Thus, one can only consider actions to be just if they are done in freedom, according to some degree of free choice, and when the actions are performed according to law and from the standpoint of equality. In conclusion, human beings want to live according to agreements and want to be honest in a situation of equality, and they also want the freedom to choose their own way. This counts for every life-world in which human beings live their lives, in particular their working environment. In his time,



Marx was confronted with the suppression of the poor working classes by a small group of the wealthy. He was angered by this injustice and wished to resolve the imbalance by a revolution which gave the antithesis a push in the direction of the synthesis. In contemporary Western life we can hardly speak of the same conditions as Marx experienced in his day. The workplace seems to be reasonably humane and income, social and other working conditions are largely equal. Can we speak of injustice here? What are we talking about here?

We are talking about reciprocity here. "Let them not try to negate the meaning of relationship: relationship is reciprocity" [FB]<sup>79</sup> (Buber, 1999: 13). In contemporary society, human interaction leads to constant exchange. Watson's (2006: 26) concept of exchange is useful, namely covering "the symbolic and the abstract as well as the material and the concrete". The main issue is whether or not this process is done in a just way. The optimal way in which people can deal with each other is in a sphere of mutual respect and optimal personal freedom, allowing for a just exchange of limited resources. The question is here: to what degree can a person in contemporary Western society accomplish this? This can only be done if there is a condition of life where human beings are, and are accepted as, acting persons. This means a "vita activa" (Arendt, 1998: 7), referring to fundamental human activities, the basic conditions for life, namely work, and action. Aristotle also emphasized activity in a human being's life: "...for we praise the just or brave man and in general both the good man and the excellence itself because of the actions and functions involved..." (Aristotle, 1995: book I, chapter 12, 1101a: 10-15). Sartre also equates the fulfilment and realization of the human being with "essentially act, action, activity" (in Marcuse, 1972: 171). The way in which this is possible depends upon the individual's surroundings; throughout a large part of the individual's life, the working place in contemporary organizations, "the new social realm transformed all modern communities into societies of labourers and job-holders..." (Arendt, 1998: 46). The tasks performed by workers in the organization are performed primarily for the organization, and are mostly defined by the organization, likewise the way they have to be performed, and under what conditions they are to be performed. In return, the agreed salary is paid, and minimal health and certainty conditions are 'guaranteed'. The agreement is, in the Western world, mostly settled in free conditions and is legally sound, so one can conclude that there is seemingly a reciprocal situation. However, looking at it ontogenetically and phylogenetically (Marcuse, 2006), the situation can be interpreted quite differently. The first concerns the process of repression of the individual, wherein the struggle of human urges plays a main role in the search for freedom and happiness (Marcuse, 2006: 21). The second concerns the suppressing civilization, and essential in this process is the development of a sense of guilt which allows individuals to 'feel' prohibitions and constraints (Marcuse, 2006: 63). The question arises: what do 'free' and 'reciprocal' mean in this context?

<sup>79</sup> "Laat men niet proberen de betekenis van de relatie te ontcrachten: relatie is wederkerigheid."

These conditions have to do with the existing opportunities to communicate and act as an individual. This presumes that in interaction men can live a true and worthy life and therefore ‘inter-action’ is a precondition for self-fulfilment, even for human life itself (Arendt, 1998: 176).

Because human beings live in and have to survive in social surroundings, collectives, life-worlds, they have to manage their freedom in such a way that they can make the choices necessary to them without contravening other values in the collective. Freedom is not something that can be exhausted, as Mill (2007: 120) claims, but it is not unlimited either. To have an effect in the community, it must be weighed against the claims of many other values such as equality or justice or public order (Berlin, 2002: 215). This means a give and take in a wisely dosed way, a carefully practiced freedom, with care, respect and love for the other, because encountering the other is a precondition of human existence. In this era, in the capitalist paradigm in the Western world, freedom is understood as doing ultimately what one likes to do. Although it certainly feels good to experience the almost unlimited freedom, there is also a downside which is not so positive. This way of living increases egocentrism and individualism and estranges people from their social context. With the increasing freedom from the social control and bonds of the period before the Enlightenment, individuality increased, which also meant “growing isolation, insecurity, and thereby growing doubt concerning one’s role in the universe, the meaning of one’s life” (Fromm, 2009: 29). This feeling of desolation, uncertainty and doubt obstructed people’s self-development. Thus, in social life there must be more to freedom than just egocentrism. Berlin (2002) made a distinction between negative and positive freedom; with the former he meant the freedom one perceives by the absence of constraints, and with the latter he meant the freedom to act as one chooses. Both forms of freedom are interconnected in the search for the good life in a social context. The negative freedom must be present in the group to make the positive freedom of the individual work, and the group must experience negative freedom to recognize the individual in his/her positive freedom. Thus freedom, in all its forms, and when well-balanced, is a precondition for improving an individual’s personal situation, and thus for reaching self-fulfilment (Jaeggi, 2005: 53).

To manage freedom in this way, it is important to take into account the person we are and the people we live and work with, tuning in to our and their capacities and ambitions. In other words, one should do one’s best in life to reach for the highest potential in one’s capabilities and show a healthy proportion of ambition to reach it. If not, then, Aristotle puts it nicely: “The man who thinks himself worthy of less than he is really worthy of is unduly humble” (Aristotle, 1995: 1773). We are talking about the human being who knows what s/he is worthy of and therefore knows his/her own strengths and weaknesses. At the same time s/he has a clear vision about the possibilities, applies his/her strengths in the right way to capture the opportunities and avoid

the threats. It is an attitude of critical self-reflection, making it possible for human beings to find a suitable connection between their personal capabilities and the means of applying them in an occupation, which allows them to aim at excellence in real workmanship, being a recognizable authority and an active and respected member of the community. In ancient times, the measure of (or rather the absence of) bodily effort counted as being a part of public life, and this was a condition to be part of the community. But in modern times things are fundamentally different: "The workers today are no longer outside of society; they are its members, and they are jobholders like everybody else" (Arendt, 1998: 219).

Since, being a worker is a condition of being a member of modern society, it is essential to choose an occupation that is pleasurable to perform over a long period in a qualitatively positive way. Aristotle (1995: Book X) was one of the first to address the relationship between taking pleasure in work and the reaching of excellence and well-being. This resembles quality-driven craftsmanship, which only occurs when one performs good activities for their own sake (Marcuse, 2006: 214-215), resulting in engagement (Sennett, 2009: 20-24). This is the opposite of the mediocrity of the 'good is good enough' objective in contemporary organizations (Sennett, 2009: 51), which decreases feelings of passion and is an obstacle for self-fulfilment, resulting in self-preservative attitudes like "the job must be done because it is a 'job'" (Marcuse, 2006: 221).

Are contemporary organizations in the Western capitalist paradigm supporting the human need for well-being? On the one hand, this has a lot to do with having a degree of freedom to act, responsibility, security, self-fulfilment and other aspects which have been previously discussed. However it also has to do with bureaucratic pressure and the use of power in the organization. As mentioned before, essential conditions for the good life include the possibilities one has for speech and action, to be an accepted and respected unique member of the community, the plurality in which human beings live. To escape the evident calamities resulting from the plurality, the powerful tend to abolish the public realm, the actual 'political' community, where the actions take place and the possibilities for self-fulfilment exist, forcing the rest, the mass, into a life of mere obedience. This being, obviously, a more stable situation than allowing human frailty to have a hand in politics, institutionalization took place in the form of the division between those who had the power and ruled, and those who were ruled and had to obey (Arendt, 1998: 220-222). This societal institutionalization of power diminishes the possibility for those who must obey to fully participate in the community according to their capabilities, thereby degrading them into lower rate human beings, the anonymous mass. In contemporary organizations this relationship between the ruler and the executioners more or less has its equivalent in the institutionalization of power over subordinates that can be found in management and bureaucracy.

### 6.5.2 Love and care

Russell (2004: 11) describes love as follows: “Love at its fullest is an indissoluble combination of the two elements, delight and well-wishing”. This well-wishing is something that is unconditional, according to Levinas, who even states that the well-being of the other is of a higher order than one’s own well-being.

Human beings are primarily social beings tending to live in groups. In these groups, people live according to the roles they are given or acquire. Every role has its own status with accompanying tasks, responsibilities and power, which in the modern era almost inevitably results in a hierarchy. Every position in the hierarchy affects behavioural aspects such as truthfulness, gentleness and tolerance to such an extent that people build their expectations based upon it. What ‘truth’ is in one position, can be ‘untruth’ in another, and the same counts for gentleness, and tolerance.

In my opinion, this makes the ‘why’ question extremely important; it is the question which distinguishes the thinkers from the followers. Paul Ricoeur, with an emphasis on the ‘why’ question, states: “What distinguishes actions which are intentional from those which are not? The answer that I shall suggest is that they are the actions to which a certain sense of the question ‘Why?’ is given application; the sense is of course that in which the answer, if positive, gives a reason for acting” (Ricoeur, 1994: 68-69, quoting from *Intention* by G.E.M. Anscombe: 9). This reason, the ‘why’, depends upon desires, and according to Russell, because of the effects of one’s actions on the other, they must be inspired by love and guided by knowledge. We always live in a social context, mainly because we need each other for our survival. Thereby, an action is social if it involves the other, taking into account the existence of the other in its direction, as Weber has already concluded (Weber in Ricoeur, 1994: 155). This means that the ultimate freedom to act as one desires does not exist. Freedom is not sovereignty, quite the opposite – freedom can only be practiced in a fruitful way if considered in a situation of plurality (Arendt, 1998). Only in opposition to the distinct and different other, can the human being feel free in his/her dependence, to accomplish his/her needs and desires in a reciprocal relationship. If we do not do this in the right way, with love and knowledge, there is the chance that we will make the other suffer, creating the “essential dissymmetry between the one who acts and the one who undergoes culmination in the violence of the powerful agent” (Ricoeur, 1994: 145). Especially in organizations this danger is an existing threat that comes with the hierarchy and the corresponding power division between the different management layers.

Marcuse (2006: 11-20) refers to Freud in writing that human beings primarily want the immediate satisfaction of their desires in life. If this is obstructed by their social position in society, all kinds of emotional reactions arise and dominate the social interaction. Human beings undergo a perpetual process of interrelated repression by their dominating social surroundings and repression of their own consciousness of being

repressed, but preserve the knowledge of freedom. This process, upon which civilization is based, restricts the urge for direct satisfaction and creates the possibility for human beings to reflect on the consequences of their actions and 'sublimate', or grow. According to Marcuse, it is possible that this process can be deformed through capitalist domination. In contemporary consumerism the individual human being is stimulated to immediate satisfaction of urges with the produced products, thereby lowering the tension between what is desired and what is permitted (Marcuse 1991: 73-74). A parallel of this 'desublimative' process can be found in organizations, where management manipulates the employee with social psychological techniques and desirable primary and secondary working conditions to reach the organizational objectives. As a result, the employees might pursue their initial desires in the organizational environment which can be considered to be a comfortable escape from the struggle for self-fulfilment in the long term.

### 6.5.3 Knowledge and planning of life

Human beings must have a certain level of knowledge to achieve a minimum understanding of what happens in life and to substantiate their choices. This knowledge is rational and has to do with science and the pure facts of life, therefore it can be acquired by learning. Plato stresses the fundamentality of the knowledge of being, describing the search for knowledge as something that is the basis not only for leading a good life, but also for an active way of living, for seeking fulfilment in one's life (Plato, 2000: 619D-E). To explicitly connect this kind of knowledge to the good life, Russell uses the following phrase: "When I speak of knowledge as an ingredient of the good life, I am not thinking of ethical knowledge, but of scientific knowledge and knowledge of particular facts" (Russell, 2004: 13).

Aristotle (1995: 1552) proclaims that "all men by nature desire to know". From birth, one starts off with a set of mental and physical capabilities and a certain social environment. I agree with Aristotle (1995: 1798) in saying that the individual's capabilities make it possible to determine the right aims and make the right choices in order to reach those aims.

The phenomenon of career has become a very important aspect of contemporary society. Most employees are occupied with this to some extent for almost forty of the best years of their lives. Career planning is a very interesting, strange sociological and psychological phenomenon in the contemporary Western world, because of the lack of absolute necessities which can be connected to the notion of survival. Before the welfare state, career planning could be connected to survival; one had to do better tomorrow than today, or else the employer could get dissatisfied, with a negative effect on salary, continuity and security. Thus, there was an extrinsic motivation to continue improving, to impress the other and convince them that one could do even better given the chance. But, if there is no need to shed blood, sweat and tears in the

course of one's work, why is it so common for employees to deliberately behave like a slave until sometimes literally dropping dead, in order to make a career?

Most people have desires that lie in the sphere of material welfare, because this is considered to be good in the capitalist paradigm. The ultimate hedonistic consumption in the modern era is seen as a sign of success; the more one can consume, the more respect one receives from society. Respect is the ultimate form of acceptance, and as mentioned before, this, in its turn, is the precondition for what we search for in life. Thus, people are convinced of the need to produce and to consume in an increasing way in order to find what they are looking for. However, as has been shown, the good life is more or less synonymous with sustaining happiness. Do production and consumption also produce happiness in the long term? According to most philosophies they do not. They produce an immediate fulfilment of the human will or desire which in practice does not lead to sustainable growth, resulting in a perpetual desire for more. Thus, in the hedonistic consumption entailed by this capitalist era, happiness is not the happiness, synonymous with the good life, it is the result of "the amount of pain and pleasure experienced in the production or in the consumption of things" (Arendt, 1998: 309).

## 6.6 Adjustment of the hypothesis

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A dominant bureaucracy emerges in the organizational tension, often resulting in an unpleasant rationalization with features like standardization and outsourcing. This can evoke psychological repression among the employees to avoid 'un-pleasure' or anxiety (Freud, 1989c: 11-14; 32), which can lead to unconscious behaviours ("The repressed is the prototype of the unconscious" (Freud, 1989b: 5)) such as revulsion and idleness. These aspects are often seen as unwillingness by the collective, which performs sanctions evoking uncertainty and fear on the part of the workers, who long for stability, recognition and certainty. The reaction of the workers is even more repression of their own drive and the increasing adoption of the objectives of the collective as a surrogate, affecting their critical attitude.

Thus, the interaction between the individual and the collective can lead to social psychological effects related to the role of management in organizational communities, which can be compared with conscious or unconscious rational manipulative communication.

The employees in organizations conform to the opinions of the bureaucracy, even to the point that they consider the organizational opinions to be truth. This is why the things employees say about their working environments should not immediately be taken for granted, "not because they lie, but because the universe of thought and

practice in which they live is a universe of manipulated contradictions” (Marcuse, 1991: 194). The whole strategic management process is permeated with management decisions and every decision has effects on the continuity of the company. Some have small effects, others have large effects on the workers, who are not able to respond to these decisions for the aforementioned reasons and because they identify themselves with the roles and functions they have in the organization. They do not speak up for themselves and they do not aim at conscious and deliberate personal fulfilment, thereby not achieving ‘sublimation’ (Marcuse, 2006: 206). Although this is very real, it is difficult to recognize because it is completely translated into ‘normal’, fully accepted and appreciated organizational behaviour; this unintentional ‘acting’ is thereby taken for reality.

I knew before starting this research that it would be difficult to uncover the feelings of the technical in-house ICT staff concerning the constant threat of outsourcing. That was one of the main reasons for using the Social Photo Matrix. This method, as explained in Chapter Four, is especially suited for this goal. The results of the SPM helped to identify more profoundly the ‘hidden’ feelings that occupy the ICT professional. This is what Marcuse meant with: “that which he does *not* express, for which he shows *no* disposition, but which is present nevertheless, and which determines, to a considerable extent, his behaviour, his understanding, the formation and range of his concepts” (Marcuse, 1991: 209). An illustrative example is the diffidence about admitting to negative personal feelings – anxiety – about outsourcing. Even when asked about it in the interviews, the attitudes are evidently present, but only come out in a concealed way. This can be in the form of an expression of anxiety about admitting to the perceived negativity concerning something that is considered to be a ‘normal’ management instrument, outsourcing. This adaptation to strategic management is apparently so strong that it leads to repression. Marcuse describes this dominant situation more pointedly: “As long as they are kept incapable of being autonomous, as long as they are indoctrinated and manipulated (down to their very instincts), their answer to this question [what are true or false needs] cannot be taken as their own” (Marcuse, 1991: 6). Thus, there are environmental forces that cause this repression, preventing the employee from spontaneously expressing his/her feelings about the subject.

Marcuse (1991: 128) explicitly emphasizes the direct connection between the way life is organized and the freedom of the ones who are ‘enslaved’ in the accompanying necessary labour. This is contrary to the common current perception, which emphasizes the advantages of the contemporary organizational life, and the related economics and consumerism. I agree with Marcuse; since the first establishment of organizations, they have had a huge influence on the personal life of human beings. Organizations have not only directly influenced the personal lives of human beings, but also the structure of life itself. What is addressed here, is that in the capitalist paradigm, under the influence of contemporary organizations, the balance between the freedom to

create one's own ends and reach for them, and reaching the ends of some sort of organization, is shifting. Before the establishment of the organization as an institution, life was mainly socially structured by groups to which the human being belonged. In these groups, or life-worlds, formed by religion, family and tribe, cast or guild, the human being was often strictly regulated by the leader(s) of these life-worlds. Organizations fundamentally thwarted this regulation by appealing to the basics such as security, status, well-being, identity and acceptance, without concern for the other life-worlds, resulting in a seemingly freer, but confusing situation for the workers. The worker was freed from the often despotic rule of the feudal lords, but in turn fell under the reign of the organization. In the former situation, workers were able to utilize their labour power to their own ends, and in the latter they had to work to the objectives of the company, leaving them less free and more dependent; incorporated. Over the last few centuries this has resulted increasingly in the situation that occurs today, namely that life is principally regulated by organizations. "Good or bad, we have become a society of organisations. We are born in organisations, educated in organisations with the goal to work in organisations" (Mintzberg, 2002: 11). The organization today can be said to be the main life-form of people. The company tends to be the standard and everything else is considered a deviation from this standard (Bauman, 2010: 5). The organizational life is becoming 'normal' life, wherein the individual is recognized as a member of society. The SPM participants in the case study discussed the following in this context:

*Daniel: "Back to the work-related, the accessibility of the in-house ICT-professional. I haven't had my mobile on for weeks, and I don't miss it either."*

*Nick: "How does that feel?"*

*Daniel: "Very relaxed!"*

They explicitly recognize the abovementioned development and project it into the commercial outer world, stating that they detest this. They still believe that they can avoid this development by remaining in the in-house situation at the SVB.

Marcuse (1991: 207) has given what is in my opinion, until now, the best description of what is meant by this unstoppable process: "The real ghost is of a very forcible reality – that of the separate and independent power of the whole over the individuals. And this whole is not merely a perceived *Gestalt* (as in psychology), nor a metaphysical absolute (as in Hegel), nor a totalitarian state (as in political science) – it is the established state of affairs which determines the life of the individuals". The result is that the masses, which are subjugated by the establishment and have a direct working relation with a company, belong to the average, while the rest do not. Of course, if there is an average, there are also situations that are above average and below average. The ones above average are those individuals who are not dependent on companies either by opportunity or choice, such as the wealthy, the intellectuals and the artists. The below average are those who are dependent on companies, but who are excluded:



the outcasts, such as the sick, the rejected and the unemployed. While the average is referred to as the normal situation, those above the average are called the happy few, and those below the average are constantly addressed as the unlucky ones, who have to be helped or cared for, which makes them feel inferior and longing to be average. The most deteriorating effect on the self-esteem is the threat of poverty and the accompanying shame that one wants to avoid more than anything in the world and that “one seeks to hide from the others, but also from oneself” (Levinas, 2003: 64). Every risk taken that negatively disturbs the average position, also disturbs the feeling of being part of the group, and elicits the feeling of being forced into a shameful situation (Marcuse, 2010: 97-98). Even a movement towards the below average, demotion, has serious social psychological effects on the worker in this society, as Fromm (1968: 130-131) illustrates in the following statement: “getting a job of inferior rank implies that they and their families feel that their personality has been degraded; they lose the new ‘friends’ whom they had gained in the process of rising; they fear the scorn of their wives and the loss of respect from their children”. This is stressful for the human being. Thus, confronted with the potential threat of losing one’s identity, the self, the individual obeys and acts according to the collective drive. The human being as well as the organization, i.e. management, considers this to be a natural coexistence in modern society and this phenomenon is even utilized to increase commitment and productivity (Willmott, 1997: 1345). The participants in the case study state that they are not content with their working conditions. They work with procedures they detest, endure control measures which they loathe and undergo insulting, inappropriate education facilities. This results in feelings like powerlessness, resignation, boredom and distrust concerning management. Discussion of management elicits strong expectations like: “Interest in the employees.”; “Communication in an appealing way.”; “Attention.”; “Represent the group.”; “Involvement.”; “Transparency.”; “Get the ‘signals’.”; “Visibility.”; “Accessible.”; “Trust.”; “Honesty.” This implies that management does not do these things but, in the worst case, does the opposite.

Notwithstanding, the participants endure the situation and give as one of the main reasons: “Job-security is very important.” In contemporary Western societies, being excluded does not often mean falling into physical decline; the ‘welfare state’ has several social safety nets, the social security. Being excluded in this sense means a social psychological decline, more like what Fromm (1968: 131) meant when he said: “many people are afraid of being forced into the dole-receiving sector of the population, and this fear is sufficient to deprive them of the freedom not to accept certain working conditions”. Outsourcing is one of *the* management instruments in contemporary organizations which can cause this psychological threat, as has been shown already. Nevertheless the participants in the case study seem to repress these feelings, instead accepting and showing satisfaction with their organizational situation.

It can be concluded from the above that the refuted part of my hypothesis must be replaced by a new one containing the aspect of repression. The following proposition is made in order to progress the discussion and to answer the research question. The refuted part of the hypothesis is:

‘Considering the past experiences and the personal characteristics of the in-house ICT staff, it is acceptable to assume they have developed an intrinsic anxiety about outsourcing.’

In the interest of furthering the discussion, this will be replaced by the following:

‘Considering the past experiences and the personal characteristics of the in-house ICT staff, it is acceptable to assume they have come to repress their feelings of anxiety about outsourcing.’

This repression also leads to personal ‘damage’, only not as antithesis in a dialectical, two-dimensional way eliciting anger, frustration, refusal and rejection, but as excessive adaptation and one-dimensionality. I wrongly interpreted the aspect of personal ‘damage’ in the old hypothesis. The auto-ethnographical aspect of this research is most probably the cause of this misconception. It is my personal belief that one of the most important aspects in the life of a human being is self-fulfilment of one’s own potential, and I thereby assume a concept of depth and existential engagement. If this is obstructed I expect action and even anger, and if one feels powerless about the situation, frustration and anxiety. In the case of outsourcing I recognized such a situation and thereby drew my own conclusions which I expressed in the form of the old hypothesis. The outcomes of the SPM and the interviews therefore surprised me.

Because this new angle is about the aspect of repression in subjectivity as an effect of modern capitalism in the labour process, the critical theoretical approach can, in the context of this research, most effectively be sought in the Foucauldian or Marcusean traditions. Foucauldian writers, like Willmott & Knights, however, consider internalized repression to be ‘normal’, ‘that which is to be expected’, leading to a form of acceptance and passivity. According to Newton, current Foucauldian readings “appear unable to ‘give life’ to active subjects” (1998: 440), thus subjects remain unable to protest and oppose the negative consequences of modern capitalism in the labour process. Thompson and Ackroyd even write that “no actual accounts of resistance can normally be found in such [Foucauldian] studies” (1995: 624 in Newton 1998: 421). From this point of view, labour is considered to have internalized capitalism – labour ‘has become capitalism’ – resulting in one-dimensionality. However, the empirical data of this research suggests that this has not occurred. Although the participants in the case study do not display open opposition, they do not show identification with capital/management either. Despite the fact that there are features of internalization of strategic management in the case study, there is also evidence of a form of resistance against management, which implies some form of two-dimensionality. Thus the

Foucauldian argument is too simple and unsuitable for this research. Moreover the empirical evidence for the Foucauldian way of interpreting this antagonistic organizational relationship, as applied by Willmott, is very scarce (Armstrong, 2008). In my opinion this is not a very clear, black and white subject – labour as thesis or antithesis of capitalism. The approach can be more effective when viewed from a social psychological angle, as labour wrestling with capital, in which case the Marcusean theory serves the purpose better. In the theory of Marcuse, the antithesis, although internalized, is still present, leading to the possibility of action. Marcuse emphasizes the communicative, often manipulative, influence of the processes and representatives of the capitalist paradigm on the subordinates in social communities, such as organizations. For him, reflecting on this in the 1960s, the resulting one-dimensionality was a progressive process and he foresaw increasingly worsening conditions, not only for the workforce, but for the whole of society in modern industrial capitalism. In his theory, Marcuse uses this development to alert and warn people and to move them to act; he even stresses the possibility of improvement. For these reasons I chose the Marcusean approach in the continuation of this research.

The next section highlights Herbert Marcuse and that part of his work which is relevant to this thesis. The aim is to apply this to the examination of the case study results in light of the new insights concerning the hypothesis. Because of the new angle in the research, it is necessary also to partly reanalyse the data as part of the continued discussion.

## 6.7 Marcuse's criticism of one-dimensional society

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Herbert Marcuse was born in Germany in 1898. He studied philosophy and economics and after receiving his PhD at the University of Freiburg in 1922, he started his philosophical education with Martin Heidegger. He joined the Frankfurt School, an institute for social research, to become one of its most socially and politically engaged and active members. Being a Jew and a Marxist, he moved to the United States in 1934 because of the rising National Socialism. Although he was already engaged in the Frankfurt School in Germany, while in the United States he particularly enriched his works “by studying and theorizing about politics, social psychology, and philosophy” (Mackey, 2001). Marcuse was strongly influenced by the works of Marx and Freud in developing his critical social standpoints. The Marxian foundation, preceded by Hegel, is explicitly interpreted by Marcuse in his book *Reason and Revolution*, which “provides, in effect, a historical-theoretical foundation for critical theory” (Kellner, 1984: 130). Marcuse adopted Marxian concepts like rational and critical thinking and the emphasis on the possibility for human beings to develop to their full potential in the social realm. Later, in his book *Eros and Civilization* he turned to Freudian concepts to complement his theory with certain psychological aspects about the individual human perception of freedom and domination in Marx's work. “Marcuse

claimed that he wanted to produce a theory that would explain why revolutionary consciousness had failed to develop and which could identify the subjective conditions which led individuals to conform to fascism, Stalinism and consumer capitalism" (Kellner, 1984: 154). As a result, Marcuse built his theory upon an interpretation of a synthesis of Marxian and Freudian concepts. Kellner wrote in his preface of Marcuse's book *Eros and Civilization*: "Marcuse reconstructs Freudian and Marxian theories in order to develop a critical theory of contemporary society, combined with visions of a non-repressive society which draws on Marx, Freud, utopian socialism, German idealism, and various poets and philosophers" (Kellner in Marcuse, 2006: xi). This philosophy was the basis of the development of his critical attitude towards capitalist society. The combination of his reflections upon, critique and reconstruction of Freud's theory of the pleasure principle, sublimation and repression with the Marxian concept of exploitation (Kellner in Marcuse, 2006: xiii-xiv) are in particular the basis of a new critical philosophy. In *Eros and Civilization*, Marcuse works with these concepts to further develop the concept of 'repressive desublimation' in his book *One-dimensional man* (Marcuse, 1991). Repressive desublimation is the key applied theoretical concept in this stage of this research and is explained later in this section.

Marcuse recognizes a negative development in advanced industrial society. The most prominent feature is its effective suffocation of those needs which demand liberation, also from that which is tolerable, rewarding and comfortable, while sustaining and absolving the destructive power and repressive function of affluent society, which requires:

- Production and consumption of waste;
- Stupefying work that is no longer a real necessity;
- Modes of relaxation which soothe and prolong this stupefaction;
- Maintenance of such deceptive liberties as free competition at administered prices, free press which censors itself, free choice between brands and gadgets (Marcuse, 1991: 7).

Marcuse detects the deceptive influence of the affluent society on the individual, who is manipulated by the prevailing powers into believing that this is the best way of living in a free society. "As long as this constellation prevails, it reduces the use-value of freedom; there is no reason to insist on self-determination if the administered life is the comfortable and even the [false] 'good life'" (Marcuse, 1991: 49). This false 'good life', which can be equated with the struggle for life, prevents the human being from acting and searching for personal growth, in the development of his/her own potential according to his/her essence. "Those who devote their lives to earning a living are incapable of living a human existence" (Marcuse, 1991: 130).

Marcuse is positive about the capability of human beings to lead a life in which they can find true happiness. "Analysed in the condition in which he finds himself in his

universe, man seems to be in possession of certain faculties and powers which would enable him to lead a 'good life,' i.e., a life which is as much as possible free from toil, dependence, and ugliness. To attain such a life is to attain the 'best life': to live in accordance with the essence of nature or man" (Marcuse, 1991: 126). To be in accordance with the nature or essence is, according to Marcuse (1991: 125), a mode of being "in which men and things are 'by themselves' and 'as themselves'".

To create the environment in which the individual can develop him/herself according to his/her essence, Marcuse considers new modes of realization, corresponding to the new capabilities of society. He sees the following necessary indicative societal drives (Marcuse, 1991: 4):

- Freedom from being controlled by economic forces and relationships;
- Freedom from the daily struggle for existence, from earning a living;
- Liberation of the individuals from politics over which they have no effective control;
- Restoration of individual thought, now absorbed by mass communication and indoctrination (and manipulation (Marcuse, 1991: 6)).

Marcuse is also convinced of the actuality, severity and tenacity of the prevailing dominant political powers. "Pre-technological and technological modes of domination are fundamentally different – as different as slavery is from free-wage labor, paganism from Christianity, the city state from the nation, the slaughter of the population of a captured city from Nazi concentration camps. However, history is still the history of domination, and the logic of thought the logic of domination" (Marcuse, 1991: 138).

This dominant paradigm has indoctrinated human beings in a one-dimensional way which results in the non-critical thought that the prevailing way of life is the only and good way of life and that there are no alternatives possible. "We live and die rationally and productively. We know that destruction is the price of progress as death is the price of life, that renunciation and toil are the prerequisites for gratification and joy, that business must go on, and that the alternatives are Utopian. This ideology belongs to the established societal apparatus; it is a requisite for its continuous functioning and part of its rationality" (Marcuse, 1991: 145). With this he meant a 'satisfied' society in which there is no gap anymore between the actual state and the ideal, 'utopian' picture. This gap, which is the typical characteristic of a two-dimensional society, is the trigger for the human being to aim at the better (utopian) picture. In a 'one-dimensional' society this drive ceases (Marcuse, 1991: 56-58).

Marcuse distinguishes several characteristic features that ensure the continuation of business in the one-dimensional organization. According to Marcuse the following aspects are present in a one-dimensional organization:

- Domination (Marcuse, 1991: 103): scientific-technical rationality and manipulation are welded together into new forms of social control (Marcuse, 1991: 146)

- and domination (Marcuse, 1991: 158);
- Establishing positive thinking: enforced tolerance of the established reality in its repressive and irrational structure (Marcuse, 1991: 226);
  - Production of a pattern of mind and behaviour which justify and absolve even the most destructive and oppressive features of the enterprise (Marcuse, 1991: 146);
  - Social controls of technological reality, which extend liberty while intensifying domination (Marcuse, 1991: 72);
  - Indoctrination and manipulation (Marcuse, 1991: 6);
  - Instrumentalization of people (Marcuse, 1991: 159);
  - Quantification of labour: labour power as calculable units of time (Marcuse, 1991: 157).

A result of his critical thinking about capitalist society was his opinion about the increase of rational manipulative communication. Marcuse saw this phenomenon as a cause of 'one-dimensional society' (Marcuse, 1991).

Because of manipulative communication, human beings, who are stimulated and granted the immediate satisfaction of their urges (which is roughly the same as the Freudian 'pleasure principle'), believe they already reached a utopian situation. "In Marcuse's view, the price that one-dimensional man pays for its satisfactions is surrender of its freedom and individuality" (Kellner, 1984: 236). The effect is that individuals stop thinking critically about their practices and stop aiming at the fulfilment of their own potential and become enslaved. "One-dimensional man does not know it's true needs because its needs are not its own – they are administered, superimposed and heronomous; it is not able to resist domination nor to act autonomously, for it identifies with the public behaviour and imitates and submits to the powers that be; lacking the power of authentic self-activity, one-dimensional man submits to increasingly total domination" (Kellner, 1984: 237). Marcuse was convinced that this paralyzing effect on human beings was omnipresent in modern capitalist society evolving into "one smoothly running, comfortable and satisfying system of domination" (Kellner, 1984: 243). According to Marcuse, this situation is the progression of the Marxian concept of alienation; the alienated subject "is swallowed up by its alienated existence" (Marcuse, 1991: 11). Thus human beings in capitalist society are living a satisfied life, perceiving an illusory freedom and freedom of choice, because they are manipulated by dominating forces. Marcuse was convinced that human beings are vulnerable to manipulation by the stimulation and granting of immediate pleasure and comfort, by which they are more ready to accept domination, leading to their submission (Kellner, 1984: 257). Likewise workers in organizations are manipulated to 'freely' adopt the company objectives as the primary drive in their lives, weakening "the rationality of protest" (Marcuse, 1991: 75) and resulting in a satisfied, conformist, obedient organizational existence.

Marcuse especially paid attention to the power of communication in the execution of manipulative power. He was rather extreme in his opinion about this issue and made explicit comparisons with the Orwellian concept 'Newspeak'<sup>80</sup> to describe manipulative communication in the 'one-dimensional' society. According to Marcuse 'one-dimensional' language has a hypnotic character, is coloured by false familiarity, feigns truth, etcetera, making "individuals appear to be mere appendices or properties of their place, their job, their employer, or enterprise" (Marcuse, 1964: 92 in Kellner, 1984: 260).

Marcuse actively involved himself with the counterculture of the 1960s. Alongside his already impressive work, he wrote revolutionary pamphlets, essays and articles (e.g. *Repressive Tolerance* (Marcuse, 1965) and *An Essay on Liberation* (Marcuse, 1969)) and lectured at (student) meetings (e.g. *Liberation from the Affluent Society* (Marcuse, 1967a), *The End of Utopia* (Marcuse, 1967b) and *The Problem of Violence* (Marcuse, 1967c)). In my opinion, this social activity of Marcuse has to do with the fact that although he displayed an apocalyptic vision of post-technological development in capitalist society, he, like Marx, also believed in a hopeful and brighter future.

Although Marcuse was a famous and critical political icon in the 1960s and 70s, the popularity of his thoughts and works rapidly diminished after his death in 1979. In contemporary society the direct influence of Marcuse on critical social and political thinking is almost absent. I regard this as a shortcoming, because the trend in rational communicative manipulation in modern capitalism detected by Kellner (1984: 258) still continues, in my opinion. This trend results in "an increasingly exploitative and repressive order...[thereby] the overarching themes of Marcuse's [critical dialectical] thoughts are as relevant today on the cusp of the twenty-first century as they were when his scholarship and political interventions were most widely celebrated" (Davis, 2004: 46). In this context, I agree with Kellner when he states that Marcuse has developed a "contemporary form of critical, humanistic and dialectical Marxism appropriate to the problems and demands of the contemporary era" (Kellner, 1984: 372).

The question is: are the works of Marcuse appropriate to serve as a guideline for empirical research? Kellner (1984: 4) presented a rough division of the work of Marcuse "in terms of (1) his contribution to philosophy and social theory; (2) his political project calling for radical social transformation; and (3) his vision of an alternative society and human liberation." Assuming that the content of the theory of Marcuse is appropriate for empirical research, which will be discussed later in this section, the division provides a reasonably complete framework which will help to achieve a positive result in the empirical research. Point (1) will provide for the theoretical basis,

<sup>80</sup> Orwellian references in the context of management rhetoric is later also applied in poststructuralist writings (Willmott, 2003).

point (2) will provide for action and point (3) presents a goal. To my knowledge there is very little contemporary empirical research based upon the work of Marcuse. This could be the result either of the decline of interest in his work or of the repression of his radical and threatening message.

As previously mentioned, Marcuse saw a certain progress in industrial capitalism that would turn out to be devastating for the freedom of the majority in capitalist society. He saw that through alienation the human being would be degenerated into a mute production force and thereby live a sterile life, not coming into bloom through his/her own potential. He considered the modern media as a vehicle that amplified this negative progress. His response was to make a tremendous contribution to social psychological science by, for instance, increasing the accessibility of Marx for assessing modern industrial capitalism. Marcuse also made more transparent the dangers of the idolatry of consumerism in 20<sup>th</sup> century capitalism, pleading for change. In his contemplation of this societal decline he emphasized human liberty, by which he meant leading the essential life that one wants through realizing one's own potential and aiming at self-fulfilment (Marcuse 2009: 53). According to Marcuse, this freedom in particular is negatively influenced by the arbitrariness of competition and the blind necessity of reified economic relations (Marcuse, 2006: 155; Marcuse, 2009: 53), an exponent of which is outsourcing, according to this research. As mentioned previously, this process is guided by manipulative communication in modern capitalism. In the opinion of Marcuse, domination and sublimation are closely connected (Marcuse, 2006: 215), creating an atmosphere in which the human being is not aware of being dominated and in which it 'seems' that s/he has more freedom to pursue his/her immediate satisfaction of instincts, stimulated by and with the approval of society. Marcuse called this process 'repressive desublimation'.

## 6.8 Repressive desublimation

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Marcuse turned to Freud in his exploration of this issue, specifically the aspect of sublimation. In short, this is the 'control' of the pleasure principle by the reality principle, transforming sexual instincts into socially accepted achievements (Marcuse, 2006: 206). In this context Freud (1989d: 51) says: "it is what makes it possible for higher psychical activities, scientific, artistic or ideological, to play such an important part in civilized life." According to Marcuse (1969: 91; 2006: 211-212), when this sublimation becomes more non-repressive it increasingly resembles instinctual, unrestricted, free human growth, being close to happiness and 'the good life'. Marcuse found that this valuable basis of human growth was violated by the capitalist encouragement of commercial consumerism, and he called this violation 'desublimation', "replacing mediated by immediate gratification" (Marcuse, 1991:72). With 'desublimation' it seems that the human being is free to satisfy his/her primary, short-term



instincts and s/he is convinced of doing the right thing. Linked to the concept of the rational, manipulative communication in modern capitalism, one can say that this prevents human beings from searching for and reaching higher aims and, thereby, prevents them from making their own decisions and aiming at self-fulfilment. Marcuse not only believed that this was the case, but he was also convinced of the fact that this was not something known and visible, but more a form of general repression, 'repressive desublimation' (Marcuse, 1991: 56-84). According to Marcuse, the following aspects are present in a situation of 'repressive desublimation':

- Spontaneous acceptance of what is offered (Marcuse, 1991: 74) (in ignorance and defeat (Marcuse, 1991: 5));
- Satisfaction in a way which generates submission and weakens the rationality of protest (Marcuse, 1991: 75);
- Obliteration of the consciousness of the renunciations which the repressive society reflects upon the individual and thereby obliteration of the need for liberation (Marcuse, 1991: 75);
- Conformism [to domination] (Marcuse, 1991: 76);
- Happy consciousness, a thin surface over fear, frustration and disgust (Marcuse, 1991: 76).

In contemporary society and organizations the technological progress influences these abovementioned aspects, in the sense of intensifying them. In organizations an increased influence on the workers cannot be avoided. "The negative features of automation are predominant: speed-up, technological unemployment, strengthening of the position of management, increasing impotence and resignation on the part of the workers" (Marcuse, 1991: 30). Automation indeed appears to be the great catalyst of advanced industrial society (Marcuse, 1991: 36).

'Repressive desublimation' has its own communicative characteristics in contemporary organizations. Marcuse describes the following characteristics:

- Stimulation of identification and unification (Marcuse, 1991: 85) with the prevailing modes of speech, whereby critical thinking about it is abolished;
- Promotion of positive thinking and doing (Marcuse, 1991: 85), which is thereby anti-critical and anti-dialectical (Marcuse, 1991: 97);
- Concerted attack on transcendent, critical notions (Marcuse, 1991: 85);
- Abridged expression of meaning, resulting in 'closed' command-like language, hammered and re-hammered into the recipient's mind as magic-ritual formulas (Marcuse, 1991: 87-88);
- Orwellian language, the language of the prevailing powers which sells their message in hypnotic, closed commands, creating false truths that support and maintain the prevailing modes of society (Marcuse, 1991: 87-88);
- Communication itself becomes an instrument of control (Marcuse, 1991: 103).

Through these features of communication in one-dimensional organizational life, the subordinates are, whether consciously or not, subtly manipulated by their superiors in such a way that they intrinsically believe they are doing the right things and leading their own lives, and following their own desires by aiming to achieve the collective capitalist goals of consumption and production. An example in contemporary organizations, is that it is accepted, admired and encouraged for employees, to aim their efforts at increasing company profit, to collect immediate personal, financial or non-financial recognition even at the expense of health, free time, social relationships and authenticity. The subordinate is “preconditioned for the spontaneous acceptance of what is offered [by the superiors]” (Marcuse, 1991: 74), and his/her instinctual needs are contracted, sustaining the status quo of repression (Marcuse, 1991: 74). The employee does not feel the urge to speak up, to be assertive and critical in the situation s/he is in; “the desublimation rampant in advanced industrial society reveals its truly conformist function” (Marcuse, 1991: 76). Marcuse (1991: 74) called this process of institutionalized conformity “institutionalized desublimation”. Applied to the organization, a “happy consciousness comes to prevail. It reflects the belief that the real is rational, and that the established system, in spite of everything, delivers the goods. The people are led to find in the productive apparatus the effective agent of thought and action to which their personal thought and action can and must be surrendered. And in this transfer, the apparatus also assumes the role of a moral agent. Conscience is absolved by reification, by the general necessity of things” (Marcuse, 1991: 79). Workers seemingly choose the comfortable advantages and avoid the difficult choices entailed in the negative consequences of organizational life. Instead, they are subtly manipulated by the ‘whole’ towards acceptance and satisfaction, “satisfaction in a way which generates submission and weakens the rationality of protest” (Marcuse, 1991: 75).

Who is responsible for this paralyzing of the workers in organizations, conforming themselves to the company objectives and not asking serious questions about the employment of management power with effects on their well-being? No single person can be held responsible – in this subtle and cruel game there is no guilt feeling, according to Marcuse (1991: 82-83). The identification of the leaders, defenders, supporters of the ‘whole’, with the ‘whole’, prevents them from feeling guilty because they cannot do wrong, the ‘whole’ cannot do wrong. It is the characteristic of the capitalist paradigm in which we live in contemporary society, and there are only a few who don’t really want it. It is this wanting that must surface before a change will take place in the status quo of immediate satisfaction of the urge for pleasure. “Pleasure, thus adjusted, generates submission” (Marcuse, 1991: 75).

For the generation of a desire to ‘grow’, (non-repressive) sublimation is necessary, as a preservation of “the consciousness of the renunciations which the repressive society inflicts upon the individual, and thereby preserves the need for liberation”

(Marcuse, 1991: 75). The resulting 'non-repressive sublimation' provides for a situation in which human beings cooperatively, "grounded in solidarity" (Marcuse, 1969: 91), work together in a realm of freedom, leading to happiness, the good life.

In contemporary society the concept of 'repressive desublimation' is even more appropriate than in the era in which Marcuse lived, because "[i]n post-liberal societies...the agency of social repression [Superego as the representative of the demands of society] no longer acts in the guise of an internalized Law or Prohibition that requires renunciation and self-control; instead, it assumes the form of a hypnotic agency that imposes the attitude of 'yielding to temptation' – that is to say, its injunction amounts to command: 'Enjoy yourself!'" (Zizek, 2005: 16). This is, as mentioned before, what Marcuse foresaw as a natural development in the capitalist paradigm. Transparency, insight and awareness of these societal characteristics are the most effective tools to evoke the will for freedom. I am convinced that the work of Marcuse is still applicable for this purpose, and I agree with Bundschuh (2004: 157) who wrote about the actual value of what Marcuse discussed in his book *One-Dimensional Man*: "If the tendencies he discussed in the book remain dominant, his depiction of Western society as it stands now will also point to an anthropology of damaged life to come." Kellner (2004: 96) extrapolates this opinion to critical thinking as a whole, of which Marcuse, alongside other Frankfurt School scientists like Fromm and Habermas, was an important representative.

Kellner is even convinced that "in view of the complex and contradictory development of contemporary capitalist culture and subjectivity, the sort of critical and oppositional perspectives offered by Marcuse are needed more than ever" (Kellner, 2004: 94). In this context, Kellner (2004: 89) emphasizes aspects like repression, desublimation, domination and submission.

Although Marcuse based his work not only on theory, but also on his practical observations (after all he was present and very active in the 'field'), he still was mainly a theorist and ideologist. He was also very critical about positivistic empirical social research, considering it to be circular and self-validating (Marcuse, 1964: 114-120 in Kellner, 1984: 261). From his point of view as a critical social scientist in the 20<sup>th</sup> century, this opinion is rather understandable. The majority of social and political research in those days still stemmed from mainstream positivistic scientific thinking, which would validate its findings according to its own requirements, concepts and framework. This would be very affirmative to the prevailing social and political thought and contrary to the critical social science Marcuse was promoting. Marcuse even thought that the concepts of positivistic empirical research "become a form of social control and means of mystification which cover over the roots of the real social problems" (Marcuse, 1964: 107-114 in Kellner, 1984: 261). Maybe this is the reason why, to my knowledge, little contemporary empirical research is performed based on the thoughts of Marcuse, even though it provides for a framework.

In the next section the theory of ‘repressive desublimation’ of Marcuse will be applied to the case study outcomes, searching for recognition of this concept in the practices of the SVB and for answers to the ‘why’ question posed earlier. This process will either substantiate the theory, perhaps even enriching it with insights, or reject it on the basis of the empirical research. I agree with Kellner that this is in line with the critical thinking promoted by Marcuse. Through his work Marcuse invites researchers to think and go beyond his findings in order to help evolve our social realm into a freer society in which human beings are able to choose and fulfil their own potential and consciously live their own lives.

## 6.9 One-dimensional features in the practice

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Marcuse has a clear picture of the features of societal and organizational environments in which ‘repressive desublimation’ occur and prevail. These features are tested against the practices of the SVB and the case study results below.

### 6.9.1 Societal characteristics

The most obvious characteristics of advanced industrial society are the occurrence of stupefying work, the perpetual, unrestrained process of production and consumption of waste, the focus on relaxation and the false liberties in society which result in maintaining the former characteristics.

Marcuse identifies the generation and maintenance of stupefying work that is not really necessary as one of the aspects in society related to one-dimensionality. First, in the division of labour the work of employees is broken down into unidentifiable portions. This process elicited the statement from Adam Smith (2003: 987), even in the 18th century, that “He [the worker in the division of labour] naturally loses, therefore, the habit of such exertions [creativity in the job], and generally becomes as stupid and ignorant as it is possible for a human creature to become.” In the case study this process can be recognized in the work of the technical ICT professionals. There are aspects which are difficult to identify with, because they often form an unrecognizable part of the end-product. The ICT professionals thereby often have difficulty identifying with one of their products and in their confusion often identify with or take responsibility for the tangibility of ICT as a whole.

Second, the process of the stupefying of work is closely related to the urge for standardization in contemporary organizations. In the strategic management process standardization is performed with the aim of working more efficiently. Standardization also means creating optimal uniformity in labour processes, often according to meticulous prescription, which removes all possibility for creativity. The following conversation is an example:

*Sam: "Actually the result of..., ICT is a creative profession, it is a technical profession, but it is also creative. And the moment that you burden a lot of constraints on creative people, in all areas, they will feel less and less comfortable."*

*Nick: "You also take a part of the responsibility from them."*

*Sam: "Yes, and that is just the part of the responsibility that they are very happy to take."*

This conversation illustrates the way that the process of standardization decreases the possibility for employees to be in control of their own work and performance, and to realize themselves in the work process. Instead, they are just becoming the already mentioned 'cog' in the machine, doing their part of the work in a mechanical way. Through the increase of standardization in the work of the SVB's ICT staff, there is a noticeable shift from performing one's work for its own sake, which leads to an emphasis on quality, to performing one's work for the sake of the company objectives, which leads to quantity.

The following is a quotation from the case study in the context of relaxation:

*Mary: "I am relaxed here, I don't work under stress, I am just relaxed and we have little chats about work and about private life, we laugh, we make little jokes, just with each other, that is I find, that feeling of..., I go to work with a relaxed feeling, not like pffff, I have to work, no: I go to work!"*

Mary is emphasizing her desire for a comfortable life in the office. One of the interviewees underscores this in relationship to the advantages of the non-profit environment: *"Less working and travelling hours, this gives a possibility for a good balance between private life and work."*

Others express aspects like: *"I have children and flexible working times and stable travel times are important."*; *"Stable social contacts, travelling times and every time the same location and building."*; *"Job-security is very important."*; *"Ease of mind."*; *"Not to prove every time that you can do a good job."*; *"I am a man of certainties."*; *"I can be myself, I am satisfied."*

The participants clearly dislike surprises, either in their work, home-work travel, or the work environment. They are convinced that a level of certainty is still possible in the in-house situation at the SVB.

In the interviews the answer of Edward to the question, of whether he would like to travel more for a job, was: *"Absolutely not, I am fairly stay-at-home in that regard. In fact, I think that I must work at a reasonable..., not too far from my home, so the home-work travel may not be too long and this is ideal for me. Within a quarter of an hour or so..."*

Thus although the in-house ICT professionals presume the effects on their situation of developments such as an increase in standardization, their behaviour and expressions in the case study indicate that they don't protest or act, and would rather enjoy

the short-term, relaxing, positive aspects of the non-profit working environment, like the secondary benefits of it, such as working hours, travelling time, leisure-time and an easy life.

Related to the aspect of the production and consumption of waste, Daniel says in this context: *“There is also an unpleasant development in it, such as a sort of throw-away society.”*

In the same context Paul says: *“It is nice though, but yes, if you hear everywhere in the world about problems with the environment and then we dispose of the SVB computers every 2/3 years and buy new ones. In other words far beyond necessary.”*

Throughout the case study the participants show awareness of the fact that the ICT products they relate to are an indissoluble part of the unrestrained perpetual process of production and consumption of waste with negative effects on the environment.

Edward says about this: *“That is how the world economy works.”*

Thus in the discussion of this subject in the case study, it becomes clear that although the participants have clear opinions about this societal process, they more or less consider it to be a rather normal feature of modern society.

### 6.9.2 Organizational characteristics

Marcuse distinguishes several characteristics of the one-dimensional organization. He emphasizes features like domination, indoctrination and manipulation from the side of the collective in the labour process, realized by mechanisms of social control. The result according to Marcuse is, on the one hand, quantification of labour and mechanization of the workers, and on the other hand, an atmosphere of ‘forced’ tolerance and ‘positive thinking’ among the individuals, by which the oppressive situation can endure.

Domination and manipulation by management play a large role in the strategic management process. One way or another the company objectives have to be met by the work of the employees. A range of management instruments are available to aid this process, as has been previously shown. This leads to an antagonistic relationship in the labour process, in which the worker often tastes defeat. In the case study the reaction to the dominant management is illustrated by the following conversation about the hallway, the ‘public’ space of the organization:

*Sam: “What I find funny actually, that everybody has something like..., and I think that I have as a feeling, at the end of the hall sits [secretary], but at the end of the hall also sits [manager].”*

*Laughter.*

*Sam: "And [manager] is sitting all apart."*

*John: "But you don't want to see [manager], but you do want to see [secretary], because [secretary] gives everybody, I think, a different feeling than [manager]."*

*Sam: "Yes, but for your feeling the hall stops at [secretary]."*

*Paul: "But is that surely also the feeling? That also means that the distance to [manager] is so large."*

*Sam: "Yes, those last three meters, to the last door, as you say...."*

*Laughter.*

*Nick: "Is apparently, indeed, quite a long distance."*

In this 'public' space they address all kinds of threats, such as accidentally meeting the manager by choosing the wrong door. The following conversation, however, stresses a different aspect of the confrontation with management:

*John: "Who has decided that we suddenly [have to use] Prince2..., where does it come from, it doesn't come from below, but from above."*

*Paul: "Definitely not from the work floor, that is clear."*

This illustrates that they cannot escape from management in their work situation because of the standardization and management techniques which have been forced upon them and which they detest.

In the strategic management process there are few possibilities for the individual to develop real relationships with his/her fellow workers. As previously discussed, the reason for this is the practice of management techniques and mechanisms, which are in place to steer the organizational activities in the direction of the company goals. The result is an environment of planning and control. The reaction of the ICT professionals to this situation is illustrated by the following:

*Ben: "You just see especially those little cabins, where you don't see what is happening behind that door. Everybody is sitting in his own little cabin and they certainly have a nice time, but how nice they have it, you will never know."*

*Paul: "Surely yes, you can go in."*

*Ben: "In practice you don't do that."*

*John: "In the tunnel [the hallway in the SPM photograph 'Empty corridor'] you see no door."*

They apparently find all kinds of ways to oppose managerial practice and collaborate in the resistance with their roommates in the safe enclaves of the different working spaces.

Rather a realm than a technique, one of the most powerful things supporting management in its work, is the sphere of 'the positive' in which human beings live in contemporary organizations (Böhm, 2006: 91; Sievers (1993) in Böhm, 2006: 91). This creates

a situation in which the critical or negative as countervailing factors are suppressed or ignored, resulting in an irrational realm of positive thinking which outshines negative side effects such as job-loss, insecurity and repression. The result is that management can force a positive way of behaviour on the employee so that it becomes a common way of living. The case study participants say the following in response to this:

*Tina: "Frustration!"*

*Paul: "Yes, frustration!"*

*John: "I don't feel free!"*

However they conclude their comments by saying:

*Paul: "It's just a fashion."*

*Mary: "It is a kind of trend."*

By the use of management techniques, the objectives of the organization become the objectives of the individual in society and critique is not expressed. Every attempt to introduce a critical aspect into the realm of 'the positive' is obstructed, not only by the management but by everyone dependent on the continuity of the bureaucracy. The case study participants repress their negative feelings about the frustrating, destructive and oppressive situation and positively believe it is just a short-term business fashion which will pass soon and they rest with the situation. This illustrates the positive effect for the organization of the planning, control and ordering management techniques, aimed at duty and obedience. However, the effect for the employees is often negative. "Duty is a concept in the realm of unfreedom" (Fromm, 1968: 85).

Via the instruments of standardization, 'authoritarian, management language' can spread through the organization and beyond, to manipulate and control (Marcuse, 1991: 103). The participants of the SPM workshop have this to say:

*Sam: "CMM has not particularly contributed to the employee satisfaction within...."*

*Tina: "Definitely not."*

*Sam: "I think...."*

*Edward: "It is a management responsibility in the end, they have to take care that it is qualitatively well led, that it is completely implemented."*

*Paul: "Yes but, the little statistics will tell us nothing else but the conclusion that it works. Because before, you did not have the information, how many hours reviews differ in production, so now CMM can say, yes look, this has differed so much in production, so eh..., CMM is terrific." [The last quotation of Paul is clearly cynically meant.]*

This illustrates the mechanization of work in the growing bureaucracy and the increasing control of management over aspects like security and productivity on behalf of the workers. This is reflected in the following excerpt from the case study:

*John: "They don't take me seriously, they don't take me seriously."*

*Sam: "It is an obstacle."*



*Mary: "Impediments."*

*Daniel: "Maybe also an impediment to creativity and a feeling of control."*

*Mary: "Yes, yes."*

Also in non-profit sector organizations like the SVB, the focus shifts from quality to quantity, the cost-focus. Side effects of this shift are a decrease in creativity, an increase in management control and the comparison of worker productivity, thereby affecting the pleasure people derive from their work. Accordingly, the ICT professionals say:

*Nick: "Am I imprisoned here?"*

*Mary: "Imprisoned?"*

*Nick: "Am I in a prison here?"*

*Mary: "Yes, yes, that is it!"*

The constant control gives the participants in the case study the feeling that they are powerless about their situation. They have no choice about working with the standard procedures, and they believe these procedures restrict them in their work, making them less productive, and more controllable.

In this context, Paul says:

*"Don't forget what the revolving door reports. If you roam through the corridors, then the registration about that on the revolving door reports is ample."*

This illustrates that social control can even lead to a form of suspicion.

Deliberately or not, organizations work as a 'manipulating system' because they are part of a mechanism, and the modern human being is psychologically ready for this. People want to build up a feeling of safety/certainty (false or otherwise), because in this modern era most of the self-evident certainties (i.e. religion, group, family) have almost vanished, with a negative effect on the individual's identity. Fromm (2009: 176) writes about this personal readiness: "In order to overcome the panic resulting from such loss of identity, he is compelled to conform, to seek his identity by continuous approval and recognition by others... Thus, he is ready to submit to new authorities who offer him security and relief from doubt". This is a good description of the vulnerability of the contemporary worker to the indoctrinating, manipulative organizational powers. This is not the only thing that feeds the repressed anxieties of the employee; the vast competitive market is also threatening his urge for certainty. There is also the threat of becoming obsolete, both on the organizational level and on the personal level. The organization, with its products and services, must remain competitive, and if it does not, it is likely that staff will be laid off in order for the organization to regain a competitive position. However, in professions like technical ICT, the individual professional is also constantly under threat from the competitive labour market. If the ICT professional does not keep up with professional requirements, his/her chances for employment on the labour market will decrease

rapidly. This all leads to the conclusion that employees experience pressure to maintain their existing position and are for a large part powerless in their situation. They are more or less victims in a fundamentally impersonal system, an intrinsic feature of the modern capitalist paradigm. In this position, the question arises as to what personal freedom is left to employees, to lead their own lives and aim at self-fulfilment.

Given the capitalist paradigm and the short-term focus, with the emphasis of the strategic management process in contemporary organizations on efficiency and external market view, the staff feel powerless to do anything about their situation (Sennett, 2006: 176-177).

*Paul: "That you can do less about it."*

*Nick: "Incompetence!"*

As has been discussed, the strategic management process is primarily an indoctrinating, top-down process in which the participants have no policy power, and it is not within their power to do anything about it. Their opinion on this is illustrated by the following:  
*John: "Yes, but, that is something from outside and you also see it in the total society, that some eh..., they [the vendors] suddenly think of something that, yes, how are we going to force that company to buy something new, also if it isn't an improvement, it is all in the contract, or something."*

Thus, instead of putting energy into changing the system, the case study participants put the blame on the manipulative capitalist society in which they work. In the following conversation they elaborate further on the subject:

*Paul: "I have the impression that this is done to employ external consultants."*

*Laughter [A sign of recognition and agreement].*

*Paul: "Probably they [external commercial advisory organizations] have the next one [organization/standardization advise] lying around already, in about 5 years the SVB can have that one, then they have another 5 years."*

*Nick: "Yes, how does the Prince [Prince2] wind blow after 10 years? Then again there blows another wind over here, thus also certain trends."*

*Sam: "But it doesn't take 5 years anymore, it seems like they succeed faster and faster."*

*Paul: "Then they can make more profit at our company...."*

They seem to be convinced that the management of the SVB is being manipulated by the commercial environment, which in turn results in them being manipulated.

*Nick: "Do we have a choice to do it differently? That is my question, or are we still just forced upon from outside?"*

And they are also convinced that they cannot do anything about it.

The inflation of the real meaning of the great words: freedom and fulfilment (Marcuse,

1991: 57) represses the individual's need for 'sublimation', personal growth. By their self-reifying commitment to the company objectives, the employees are substantiating the reifying process of the organization by which it considers them more as (in) human resources.

The phenomenon of cost-optimization is increasingly becoming an organizational aim in the non-profit sector, with the same drivers and the same intensity demonstrated by commercial organizations. These company objectives must be achieved with the existing workforce by utilizing contemporary management techniques. The result is that, for non-profit management, the employee is also increasingly instrumentalized in the managerial drive to increase organizational performance. Throughout the case study the participants are convinced that the implemented standardizations are there to make them quantifiable, or to satisfy the managerial urge for certainty. They are suspicious and go so far as to call it tricks, force, rigidity and control. This can be seen as a form of reification (*Verdinglichung*), whereby the employee in the non-profit sector also becomes a sort of commodity with a money value, rather than a human being with human needs. Management forgets the antecedent recognition of these human characteristics because of and enabled by the instrumentality and mechanization of the strategic management process. In the case study the participants feel controlled, manipulated, becoming a 'figure' and treated in an 'indecent' way by management. According to Honneth (2008: 154) this antecedent recognition is a precondition for considering the other as a human being; without it he says: "we treat him or her as a lifeless object, a mere thing." The company, in its drive to achieve the organizational aims, is constantly looking for means to make its performance more cost-efficient, even to the extent of discharging the employees.

The strategic management process serves as a strong support to the managerial drive. In this process, rationality is substantiated by management techniques, which manipulate the employees into accepting that their self-fulfilment is aligned with reaching the company objectives and their happiness depends on organizational rewards. The ICT professionals in the case study literally show their vulnerability to this manipulative process, connecting the implementation of the work-standardization processes and quality systems directly to this aspect. However, they also still show a critical attitude towards this rationality, towards the representation of the strategic management process as stability. This is an illusion, because the world does not consist of stable, demarcated entities, and management is therefore not capable of 'knowing'. This is illustrated by Paul's comment:

*"Because you have already had CMM rolled over you, before that you undoubtedly had something else rolled over you, you have ITIL, you have this, you have that, at a certain moment you have... You all do what pleases them, I will goody-goody fill in my statistics, that you need, if you want me to."*

The participants in the case study see management trying to handle uncertainty by implementing procedures that promise more certainty and following the accompanying trends.

In spite of existing legislation and the application of work agreements in the relationship between employer and employee, when it is more efficient for the organization, the employer will dispose of the employee (e.g. 'not functioning', obsolete skills, health, age) or whole groups of them (e.g. reorganization, outsourcing, downsizing). A manager at the SVB once confided to me that "everybody knows that in an outsourcing, management always tries to dispose of the poorly functioning employees and wants to preserve the good ones." One can conclude that there is a paradox here; on the one hand, there is the willingness of the employees to be part of the community and to devote themselves to the organization. As one of the case study participants put it: "*Bond with the matter, a societal aim, allowances, that is important.*" On the other hand, there is the repressed anxiety of the employee about a range of threats coming from the employer, the management. Case study participant John said: "*Sometimes I have the feeling that the employer or the manager thinks: I take full control. So he can make you obsolete at any time. It is this aspect, that you do your work like anybody else can do, nothing special. The manager has all the controls and it is clear [to the management] what you can and cannot do. They can replace you for anybody else at any time, that is the feeling they want to have.*"

This is of great concern to the technical ICT staff of the SVB:

*Sam: "I always have the impression that all these kinds of ideas [standardization] are being implemented to make you quantifiable, that a figure comes out of it."*

This mechanization is closely related to the prominent aspect of quantification in the standardization of work in the strategic management process. Employing standardization can turn out not to be advantageous for the technical in-house ICT-staff in the end, because through their work they can be constantly compared with the market.

These societal and organizational one-dimensional features result in experiencing, comprehending and shaping the world in terms of calculable, predictable relationships among exactly identifiable units (Marcuse, 1991: 164). Standardization and modification thereby make the in-house ICT professional constantly comparable with the market, one of the starting points in the strategic sourcing process. "They become easily substitutable/disposable as factors of production" (Willmott, 1997: 1332).

## 6.10 Repressive desublimation in the practice

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From information gathered from the practice and the case study there are obvious signs of a one-dimensional society and a one-dimensional organization. According to Marcuse this is strongly related to the presence of 'repressive desublimation'. Below, this concept will be dissected in order to investigate the case study data. The aim is to find the answer as to why the technical in-house ICT staff don't show anxiety about outsourcing, although they see it as a major threat which they cannot control and which can happen at any time that their management decides to do it.

### 6.10.1 Spontaneous acceptance of what is offered

If one contemplates the strategic management process, human beings – employees – in all their frailty try to make a living in the complexity of organizational life, perceive certain 'given' liberties, but confuse them with freedom in their drive for self-fulfilment. Because of their confusion, the employees tend to be satisfied with the liberties given to them, unconsciously repress the most essential freedom of choice, "the choice of one's way of life" (Marcuse, 1972: 223), and spontaneously accept what is offered to them. This confusion about the distinction between the incompetence to stand up for one's principles and the acceptance of and surrender to the work situation, is illustrated by the pressure to keep up with rapidly evolving technical knowledge:

*Paul: "Yes, the speed of the development, of the techniques where you are in...."*

*Sam: "Learning is nice, but...."*

*John: "I still think that it is a nice inducement to look outside and then you see the books and then you see red,<sup>81</sup> and with red you jump."*

*Sam: "Now I know what the pile on your desk is for."*

*Laughter.*

*Paul: "But the complete certification, you know that by heart, don't you?"*

*John: "Yes of course, but well, that doesn't say that you want your eyes to get a sort of RSI. Then you really have to look outside or to something different..., oh God, Java, oh yes, I have to do something!"*

The certificate hype in the ICT profession requires constant learning and periodical exams to prove that your knowledge is up to date. If not, your market value declines rapidly. In the case study the participants use severe expressions to show their opinion and feelings about this, but it is also clear that they accept this as normality.

Ben describes the practice relating to his way of learning as follows:

*Nick: "How do you feel about this actually?"*

*Ben: "It could not be more indecent. They [management] have chosen this because it is possible to register how often you watch this gentleman, how many hours. Then my manager can*

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<sup>81</sup> The producers of the new technical ICT books about Java, in this case, used red as the cover colour.

*do something with this information if he wants to. Like, oh, he watched Bob Ross for 5 hours this week. What I really have done, in the meantime I made some coffee for instance, there is no control on whether I really have watched it, of course. I just have had Bob Ross on my computer for so long, and I was for so long connected with it, well, at least my computer of course."*

*John: "What do you need that control for?"*

*Ben: "I don't need that control, my manager considers this as added value."*

*Daniel: "Your employer needs this?"*

*Ben: "That's nice, they check at my work if the employees are studying and what their progress is, 'oh they arrived at module 2, very good'."*

*John: "That says something about our bosses, not about you."*

*Ben: "No, that is true."*

...

*Mary: "Did you have to? You could not choose?"*

*Ben: "No, I could not choose."*

Ben says that he did not choose this unpleasant way of learning for himself but it was forced upon him by his superior. In my opinion there is always a choice, but Ben clearly doesn't think there is.

These examples give evidence of the fact that in contemporary organizations, people accept their working circumstances pretty uncritically, even if they consider them to be uncomfortable or even oppressive and indecent. They seem to repress these feelings in their working life, and endure.

### **6.10.2 Satisfaction generating submission**

The developments in the last century have seen dramatic changes to the existence of the individual, with positive effects on physical and material circumstances, but a negative effect on psychology and social role in the community. Concerning this societal development Marcuse (1991: 50) asks: "And if the individuals are pre-conditioned so that the satisfying goods also include thoughts, feelings, aspirations, why should they wish to think, feel, and imagine for themselves?" The strategic management process, with its abundance of management techniques, is very well suited to exploiting this form of submission.

*John: "They don't take me seriously, they don't take me seriously."*

*Sam: "It is an obstacle."*

*Mary: "Impediments."*

*Daniel: "Maybe also an impediment to creativity and a feeling of control."*

*Mary: "Yes, yes."*

*Daniel: "For CMM, everything must go according to the rules and if you don't stick to the rules then the project does not get an approval, because you have done enough reviews or you had to attend weekly team meetings."*

*Paul: "I also see it as a fashion and as not being able to think for yourself."*

*Tina: "Yes."*

In this example the first tendency is to protest against the management instrument CMM, but in the end there is a form of resignation. The next conversation continues on this aspect:

*Nick: "I believe that it is also an appearance, these kinds of procedures, of security or whatever. That, apparently, also is invented by above [management] and by others [external consultants], it is some kind of trend, that they have invented some kind of trick. Well okay, there are some good aspects to it, but it is also: it gives a certain feeling of security."*

*Tina: "Appearances ...."*

*Nick: "Because finally the workers just have to do it themselves."*

*John: "Who has decided that we suddenly [have to use] Prince2..., where does that come from? It doesn't come from below [work floor], but from above [management and higher]."*

*Paul: "Definitely not from the work floor, that is clear."*

*John: "Does it come from the ministry? We are an administrative organization. I mean that we can't choose these things to do, ourselves, but sometimes these things are forced upon us: you must work according to Prince2."*

*Paul: "It's just a fashion."*

*Mary: "It is a kind of trend."*

The application of management instruments has clearly to do with bringing about a submissive attitude and capitulation to the organizational forces.

One of the possible causes of this characteristic of the participants' behaviour is that even in the modern capitalist paradigm, non-profit organizations do not yet have the same working conditions as private corporations (Virtanen et al., 2006). Differences can still be found in important aspects such as how in the formal human resource management process the work-private life balance is approached. Ten Bos (2007: 170), addresses the difference between soft and hard human resource management approaches, whereby in my opinion, and in the opinions of the case study participants, human resource management in the non-profit environment has more features of the former. In the case study it is evident that the technical ICT professionals are convinced about certain aspects which they talk about repeatedly, like flexibility of work time, private life/working life balance, work pressure, etcetera.

The result is a form of loyalty which generates obedience to and cooperation in the strategic management process: *"Loyalty to the company and the colleagues, longing for a steady based job environment."* And *"I am a 'bank-man', everything I do, I do for the 'bank', I am very loyal."*

The participants appreciate short-term features like: “*Good money, easy living*”, and the apparent security of the non-profit sector: “*Let it [outsourcing] never happen, I don’t want new challenges, certainty is important for me, I work here because I want lifetime employment.*” This short-term immediate gratification contributes to their satisfaction and thereby makes them vulnerable for the mechanisms of submission in the strategic management process. However, Sam explicitly says:

*“Flexible working hours is something that really is very important and generally is considered as such. I also know from my colleagues that if the SVB says: ‘no, we have fixed block hours and you just must be here between 9.00 AM and 17.00 PM and that’s it’, at once the SVB has become a very unattractive employer.”*

This illustrates that there is a very thin layer of satisfaction.

In the non-profit sector outsourcing is also nowadays considered to be a normal management instrument used to reach optimal efficiency. It is just one of the instruments of the employer to gain a hold on the uncontrollable environment, in an attempt to forecast and master the future. In this process, obedient, non-critical and satisfied employees provided by the strategic management process will suit the employer’s purpose. “The organism is thus [by the manipulative strategic management process] being preconditioned for the spontaneous acceptance of what is offered” (Marcuse, 1991: 74), which is satisfaction with the direct gratifications of company rewards, negating the own conscious sublimation. Marcuse (1991: 74) calls this process ‘institutionalized desublimation’.

### **6.10.3 Obliteration of the need for liberation**

The average employee works approximately eight hours a day, five days a week, 47 weeks a year, for an average of 40 years. Although the exercise Marcuse did in this context came to the rather extreme conclusion that “the free time would be four out of each twenty-four hours throughout the greater part of the individual’s life” (2006: 47), he makes a firm statement. In modern society there is an increasing tendency to work longer hours and to give not only the body and the mind but also the soul. The soul has escaped the attention of management techniques for quite a long time because it was considered not to have exchange value (Marcuse, 2009: 80), but in the late 20th century this view altered and an emotional commitment to company objectives was discovered to be invaluable. This makes it clear that the freedom to reach self-fulfilment (living a good life: “...for both the general run of men and people of superior refinement say that it is happiness, and identify living well with being happy” (Aristotle, 1995: 1730)) in the working environment, is very important. If this is so commonly known, the obvious (mis)use of this freedom by employers is even more unjust (Bunting, 2005: 112 quoting Ciulla (2000)).



From what is stated above, it can be deduced that the contemporary employee is living in a situation of dependency and lacks the necessary amount of positive freedom (Berlin, 2002). I agree with Marcuse (1991: 128) who saw this too and connected this dependency (he calls it enslavement) to the fulfilling of the requirements defined by management, thereby restricting the freedom of the employee. This creates a situation of nihilism in which the employee effaces him/herself and obliterates the need for liberation. Thus, only when they have enough freedom to make their own important choices in life are human beings capable of finding the life they are looking for, in line with their potential. Some quotations in the case study stress this aspect:

*Mary: "Why does my manager have to know what I am doing? It is just like control, I think that I am fully responsible for what I am doing. I stand for my work, don't I?"*

*John: "Look, you are working and you are a professional, you are not a child that you must watch all the time, what it is doing, and you cannot more than 5 minutes.... This is for me a place of control."*

The individual is obstructed in his/her drive by the manipulation of organizational life to adopt the company's objectives as his/her own. In the case study, discussion of the subject of managerial control results in the emergence of a questioning about the rights of individuals regarding their own fulfilment. Both participants stress management control as an important obstruction to the fulfilment of their own objectives. This resembles the Taylorian perception mentioned earlier, in which the worker is seen as a child that must be controlled by the manager to the extent that s/he has the experience of working in a 'glass cage' (Gabriel, 2003: 176). This leads to the self-fulfilling management prophecy implying that if people are treated like infants in this way, all of their attempts to act independently, like the desire shown by Mary and John, can be seen only as deviations from the viewpoint of the superior (Pelzer, 2005: 1224). I agree with critical authors like Marcuse (1999: 9) who state firmly that this is the most important responsibility of the individual in life; the existence of every individual is aimed at realizing his/her potential. Strongly related to this standpoint are comments such as that of Mary: *"I am relaxed here, I don't work under stress, I am just relaxed and we have little chats about work and about private life, we laugh, we make little jokes, just with each other, that is I find, that feeling of..., I go to work with a relaxed feeling, not like pffff, I have to work, no: I go to work!"*

This illustrates that the obstruction of self-fulfilment can also emerge from the paralyzing urge for and possibility of the easy life (pleasure principle). In this regard, the interviewees said: *"I have a good life here and there is no work pressure, why should I go?"*; *"It [the in-house situation] gives you ease of mind."*; *"You don't have to prove every time that you can do a good job."*

In the desire to hold on to that satisfying situation, employees are increasingly behaving submissively instead of critically towards managerial actions like outsourcing, which obstruct them in leading their own lives.

Examples of the results of this obliteration can be found in the case study. Some of the most striking statements are as follows:

*John: "My dream has always been to become a fisherman or a sort of philosopher in my daily life."*

But John never did. Instead, he stays in his comfortable situation and waits for something, maybe outsourcing, to come by and to 'force' him to make a decision. The question is, will he ever make the decision at all to realize his (day)dream?

*Edward: "I would gladly perform my second passion and that is cooking [in Spain]. I would like to make it my profession. That is my intention. When I leave the ICT, especially the SVB."*

Later in the interview it becomes clear that Edward's first passion is strongly related to the in-house features of his ICT profession and not so much the profession itself. He claims he is a very stay-at-home type and doesn't want to travel much. In the seeming contradiction between the two passions there is also a recognizable kind of daydreaming. Edward is very sure in the interview that he definitely does not want to work in a commercial ICT organization because of the features opposite to those of his comfortable in-house position. Daydreaming is a state of less or un-consciousness, an escape from a repressing reality, mostly resulting in disillusionment and always lurking, according to Marcuse (2006: 142). This certainly cannot be compared with a state of happiness or the search for self-fulfilment.

#### **6.10.4 Conformism to domination**

In the strategic management process nearly all the important choices and decisions are made by management. This management behaviour has an important influence on individual employees. In practice, the relationship between management and the individual is antagonistic, wherein both parties struggle to reach their aims and are hindered by each other. It seemingly takes a lot of managerial energy to make the employees internalize corporate values (Willmott, 2003: 81). From their point of view, the ICT professionals in the case study explicitly say to management: *"Don't be a nuisance to me, don't bother me and my work, don't get in my way."* This tension in the organizational relationship is illustrated by a dialogue between Ben and Paul:

*Ben: "But I think it is very close to reorganization. We are going to try to do it in another way, because likely it can be done better. Whatever you choose, there is always a disadvantage you can't solve. The disadvantage comes from another angle, so for a little while they make the people that were unhappy, happy and other people unhappy, and after 5 years you make another plan, then again you are going to reorganize."*

*Paul: "That is why nobody is taking it seriously, I think."*

*Ben: "No, I don't take it seriously, no."*

As discussed earlier, the inequality in this struggle leads to the dominance of management and this evokes a form of cynical acquiescence among the employees.

The strategic management process in organizations has war-like features, in which the employees are brought into action to achieve the company objectives. Honneth (2008: 156-157) mentions the reification of the enemy in this context; in his/her routine, the soldier 'forgets' "the elementary recognition originally granted to every human being". Similar conditions for reification also exist in the organization, creating a habitual attitude in which management expects the employees to obey and adjust their behaviour to suit the organizational drive. In many cases they will indeed, and often the result is that they become an extension of the company and start thinking less authentically. What they say and do is weighed against the opinions of the company's management, and they show a tendency towards conformity. The relationship between self-identity and group-identity can lead to conformist behaviour. The notion of teamwork is another breeding ground for this useful organizational feature (Sennett, 1999: 108). The employee's repression of his/her own drive and his/her adjustment to the expectations of the organization is the basis of an irreconcilable gulf between the employee and the organization. First, human beings, following their desires, are fundamentally maladjusted (Coenen, 2004: 94). Second, management, following the continuous stream of prevailing management literature, assumes the purposive actions of adjusted human beings. Because they are living by the rules of the company, which are distributed by management, employees tend to conform to the organizational environment they are working in, resulting in mediocrity and suppression of their authentic drives. "The unconscious repression is even only the consequence of societal rules, family structures, the law of the father etcetera" [FB]<sup>82</sup> (Badiou, 2006: 104). Ben says about his learning situation:

*John: "What do you need that control for?"*

*Ben: "I don't need that control, my manager considers this as added value."*

*Daniel: "Your employer needs this?"*

*Ben: "That's nice, they check at my work if the employees are studying and what their progress is, 'oh they arrived at module 2, very good'."*

*John: "That says something about your bosses, not about you."*

*Ben: "No, that is true."*

Working in the organizational labour process, thus, results in conformism among employees who sacrifice a piece of their own individuality, stop criticizing, asking, doubting and searching for meaning in their own lives. In the case study this conforming behaviour is illustrated by the resignation of Ben in doing what he calls the most unpleasant thing he can do. Somehow the participants are not aware of the fact that this says a lot about Ben. He is convinced that "*It could not be more indecent*", nevertheless he uncritically accepts, conforms and continues to do it.

<sup>82</sup> "De onbewuste verdringing is zelfs slechts het gevolg van maatschappelijke regels, gezinsstructuren, de wet van de vader enzovoort."

More or less the same reaction concerning managerial domination can be inferred from the next conversation:

*Sam: "CMM has not particularly contributed to the employee satisfaction within...."*

*Tina: "Definitely not."*

*Sam: "I think...."*

*Edward: "It is a management responsibility in the end, they have to take care that it is qualitatively well led, that it is completely implemented."*

Management uses methodologies like CMM to accomplish organizational objectives, often ignoring the employees in the implementation. In this fragment it is clear that the employees are dissatisfied about the CMM methodology imposed upon them. Nevertheless, they conform and deny any form of personal responsibility, thereby withholding critical feedback and implicitly supporting the application of the methodology.

Ignoring the interests of the employee, who is prominently present in organizational changes like outsourcing, is a form of domination which can lead to repression in the rational strategic management process (Marcuse, 2006: 36-37). The tendency of the individual to conform to the organizational domination is almost omnipresent throughout the case study.

### **6.10.5 Happy consciousness**

Human beings are sensitive to the production of pleasure (Freud, 1989a: 3). In organizations, this often leads to obeying the 'directive prescription' to be happy and positive, because one is 'lucky to work in this organization with optimal benefits for its workers'. The employee becomes dependent on a form of organizational approval to feel appreciated and useful in his/her organizational duties and this "bureaucratic approval is a danger for the free self" (Sennett, 2004: 170).

The questionable range of choices in the capitalist market (Bauman, 2010: 31) and experiences in organizational life offer the human being a temporary sanctuary. In this situation the employee, looking for pleasure feelings, represses his/her own drives in life and develops a 'false' contentment with the offered comfort. The workers in this situation repress their own 'sublimative' drive, adopt the company's objectives, confusing them for their own, and work in a "Happy consciousness" (Marcuse, 1991: 79). The participants in the case study and the interviewees spoke of the desired comfortable secondary working agreements, ease of mind and securities, certainties, satisfaction and easy living in the working environment. The majority long for the safety of the 'easy' way; they are largely motivated by the monthly pay cheque (Coenen, 2004: 35). In contemporary organizations this behaviour can result in a non-critical docility. The story of the IBM-programmers in the River Winds Café told by Sennett is illustrative of this. Only after being laid off, because of outsourcing,

among other reasons, were they all convinced that they should have acted and made their own choices (Sennett, 1999: 129).

In other words, the individual, searching for his/her self-fulfilment is constantly influenced by the organizational short-term incentives which cause a form of naiveté and gullibility. In the case study a majority of the participants express such attitudes towards their profession as: *“No passion, but nice working hours.”*; *“Totally no passion, it is work, nothing more, if I can go tomorrow, I go.”*; *“It is my profession, but I don’t care what I do, as long as it is technical.”*; *“I would very much do something outside the ICT.”*; *“I have always doubted if this is my profession, I am not good at it.”*; *“No passion, but nice working hours.”*; *“It is just my work, separated from my private life; I’d rather read a good book.”* Thus the average case study participant cannot be considered a very passionate ICT professional. But many of them also firmly state: *“I am a ‘bank-man’, everything I do, I do for the ‘bank’, I am very loyal.”*; *“The SVB is like family.”* Even when not primarily connected to the profession, a strong bond with the company (benefits) and colleagues remains. They are ‘happy’ in the comfortable SVB environment. Throughout the case study it is evident that the employees may be considered passionate organizational members, which makes them more vulnerable to outsourcing. This stronger bond with the work environment than with the profession distinguishes them from the ICT professionals identified in the work of researchers like Hackman and Oldham (1975), Cougar and Zawacki (1980), and Mak and Sockel (2001). These ICT professionals had a stronger bond with the ICT profession, and were therefore less emotionally affected by outsourcing.

The participants highly value the secondary working conditions, especially the flexibility in working hours and working time. A large part of their company loyalty comes from the fact that they live close by to the building they work in. The in-house ICT staff consider the SVB a place where they can have a well-paid, easy life, with a good work/private life balance, and a high level of job certainty, so they do not have to expend much energy on fear of job-loss, professional development and career. For the participants this is a way to achieve their form of well-being, to live their good life. However, there seems to be a large difference between what is considered a good life in the practice by the case study participants and what philosophy considers a good life. It is as if the participants have surrendered themselves to the ‘easy life’, and resign in comfort, ignoring the fulfilment of their own possibilities. Because they are captured by the ‘happy consciousness’ of their comfortable situation, they repress their urge to search for self-fulfilment. Marcuse (1999: 189) said *“Man cannot know freedom without possessing it; he must be free in order to become free.”* The result, as described in the case study, is an increasing dependency on the comfortable position, which will create a fatalistic, unfree situation (Marcuse, 1991: 6-7). *“In other words, the act of liberation is taken out of the hands of individuals who themselves, because of their fettered status, cannot choose it as their own course”* (Marcuse, 1999: 189). The case

study participants state in this context:

*Nick: "I know that a lot of software houses have difficulties in getting people. That if you have some skills in any way ...."*

*Paul: "People have, I think, quite enough of the travelling for software houses."*

*Nick: "That is, I think, the point. I know, for instance, Ordina, I also heard that from Ordinesen, they really could not get any people, they really have such a...."*

*John: "But what kind of people are they looking for?"*

*Nick: "Ordinary people."*

*Talking through each other.*

*Nick: "They won't succeed, they won't succeed."*

The attitude of the participants about their 'happy' work environment thus even elicits the conviction that this is what ordinary people want. They continue about this subject as follows:

*Tina: "Well not for me, for me it is also a reason to work here, because it is close to home and you have certainties."*

*Nick: "It is also a sort of steady value actually, you know you go a certain route if you work somewhere a little longer, you have some time to say good-bye or whatever, or get things out of your mind."*

*Silence.*

*Paul: "You can also do the autopilot."*

*Laughter. Silence.*

*John: "Nice, relaxed."*

*All: "Yes, yes, yes, yes."*

The aspects of travelling time, steady work environment and home-work travel connected to the in-house situation, are seemingly so important for the participants that they impute a life value to it. Illustrative in this context is also the question put by one of the participants in the case study: *"Is there life after the SVB?"* with the response being the 'silence' of all the participants.

This dependency upon and attachment to the comfortable in-house work environment, resulting in a 'happy consciousness' is highlighted and brought to its peak by outsourcing. In the case of outsourcing the employee has no influence on the decision; it is all out of his/her hands. In practice, as shown, the outsourcing decision is made by upper management, often stimulated or advised, by external consultants, based on tactical (economic) grounds and also often a result of economic trends. For employees this is something that, irrespective of their performance, can happen at any time, and will, if performed, put an end to their much enjoyed life as an in-house ICT staff member. From this perspective, considering everything that has been stated up till now, outsourcing is perceived as threatening for the employees, something rather to be repressed. In the case study, Edward, among others, has: *"a very bad feeling*

*about that.”; Tina says: “Well yes, that danger of outsourcing, that is of course always present. Well, always, it is certainly a real potential threat.” and one of the interviewees stated: “Outsourcing makes me very unhappy.”*

From these statements it may be concluded that the case study participants perceive a continuous threat resulting from outsourcing. Nevertheless the participants say: *“In-house gives a very pleasant atmosphere.”; “Cosy.”; “Second home.”; “Stable social contacts.”; “I earn a lot of money here.”; “Good money, easy living.”*

They seem to be repressing these negative feelings and surrendering to and enjoying the in-house advantages, unintentionally and unconsciously accepting a ‘desublimative’ life.

The “Happy consciousness has no limit”. Marcuse (1991: 80) writes, “it arranges games with death and disfiguration in which fun, team work, and strategic importance mix in rewarding social harmony.” He further concludes “The power over man which this society has acquired is daily absolved by its efficacy and productiveness” (Marcuse, 1991: 84), which is a fairly fatalistic pronouncement. I experience this in my practice, which is still much less severe than the commercial environment, and in my opinion outsourcing is a culmination of the power process.

### **6.10.6 Communication of repressive desublimation**

In contemporary organizations, according to Marcuse, the communication of the collective is directly connected to the concept of ‘repressive desublimation’. Briefly described, the most distinct characteristics are: the stimulation of positive thinking and identification and unification leading to the suppression of critical thinking. This is performed by ‘closed’, command-like rhetoric whereby truth is creatively adjusted to the company objectives. In this way, communication itself becomes an instrument of control.

This short description leads to the statement that managerial communication in the strategic management process resembles what Marcuse connects to ‘repressive desublimation’. These communicative aspects are in place to manipulate the employees into performing their tasks without criticism for the company objectives.

This research is not performed to detect the characteristics of organizational communications. In performing the interviews, however, the aspect of management became so dominant in the answers of the interviewees that I even added an extra question to the list of interview questions. In the discussions of management, communication was a major aspect. So some of the most important features mentioned by Marcuse can indirectly be deduced from the case study.

Marcuse mentions the important feature of command-like language, which implies the opposite of communication as meaningful interaction. Some signals in the case study illustrating the desire for interaction include: *“Interest in the employees.”*; *“Communication”*; *“Involvement.”*; *“Attention.”*; *“Get the ‘signals’.”*; *“Accessible.”* This presumes that staff feel there is no interaction in their daily encounter with the management, which may lead to the conclusion that the managerial ‘communication’ more resembles the ‘one-way’ command-like rhetoric Marcuse is connecting to ‘repressive desublimation’.

But the aspect of truth is also addressed by the participants when they say they find it important that the management is trustworthy and honest: *“Trust.”*; *“Honesty.”*; *“Transparency.”* Associating these concepts with staff experiences with management, and considering what has been mentioned previously about management in the case study, this is not their current practice.

The wish of the participants that management shows more of the following aspects *“Communication in an appealing way.”*; *“Represent the group.”*; *“Visibility.”*, may be explained by the forms of control via the standardization of work described in the case study. The ICT professionals therefore ask management to come into the open, communicate and cooperate, and when management responds, their form of communication will most likely stop being an instrument of control.

Outsourcing is a good means of determining the effects of the rationality of organizational life in modern capitalist society on individual employees, because of its extremity as a management instrument. It is ‘natural’ that it somehow elicits rather extreme and presumably easily recognizable feelings among the employees concerned. In the case study this was not so, and the assumption was that outsourcing brings about a form of repression of extreme feelings. The application of Marcuse’s theory of repressive desublimation in this research demonstrates that this was indeed the case. Features of the theory are omnipresent in the case study.

## 6.11 Conclusion

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The influence of the organization on the life of the individual is rapidly increasing in contemporary society. At the same time the human being is the determining factor in the organization. Besides the tangible assets and the human beings, the organization is an abstract phenomenon. What is the strategic management process other than “a pattern in a stream of actions” (Watson, 2006: 87)? Without the people acting in the organizational processes, it is something ‘dead’, not really an ‘it’, as Watson (2006: 87) puts it. In the foregoing discussion it is stressed that the organization mainly consists of inter-personal relationships. In the organizational hierarchy these relationships



have ambivalent characteristics. On the one hand, the organizational hierarchical relationship in the labour process is antagonistic, affecting the well-being of the individual. On the other hand, individuals conform to this situation and seem to be satisfied. Outsourcing has been shown to be such an extreme management instrument that it evokes reactions from the employees, as observed in the Social Photo Matrix, which shone some light on the subject.

This conclusion is organized around two main aspects: First, conclusions are drawn concerning the effects of ICT outsourcing on the SVB's technical in-house ICT professionals and the role of management involved, leading to the surprising part-refutation of the hypothesis. Second, the outcomes of the approach from a new angle in the research are presented, and conclusions are drawn from the application of Marcuse's theoretical concept 'repressive desublimation' to clarify the findings.

#### **6.11.1 Effects of ICT outsourcing on the in-house ICT staff**

The strategic management process is a military-like top-down process, wherein its players are manipulated into behaving obediently. Through its hierarchy it evokes feelings of dependency and submission. The consequence for the employees is that there are few opportunities to fulfil their own potential according to their own choices. Although the strategic management process of non-profit organizations like the SVB resembles the prevailing strategic management process, the conviction of the technical in-house ICT staff members is that this environment positively distinguishes itself from the commercial environment.

The technical in-house ICT staff of the SVB choose deliberately for the in-house position because of the clear benefits. Nevertheless, a more commercial climate is increasingly coming to prevail in the non-profit environment, and outsourcing is one of the frequently used management instruments in this development. The result for the in-house ICT staff is the constant threat of outsourcing. Outsourcing mostly means the exchange of the in-house non-profit position for a commercial position. The in-house ICT staff of the SVB is aware of this threat and the ICT professionals desperately want to hold on to the advantages of an in-house non-profit situation. There are many reasons to conclude this from the case study. Examples are, first, the SVB's ICT professionals generally have a long working history in the organization and they show a low mobility. Second, most participants in the case study showed negative attitudes towards outsourcing in relation to the SVB and themselves. Third, the participants explicitly detest the commercial environment, which would be their destination in the case of outsourcing.

The in-house ICT staff of the SVB have developed a strong aversion towards the commercial environment, because they consider this to be more dehumanized than the non-profit environment. This is clearly addressed in the case study by remarks that

entail the resemblance with being a number, the hard work in a cold environment, the obedience to customers, the lack of real collegial bonds and company identification, etcetera. This substantiates the hypothesis that the in-house ICT staff of the SVB constantly feel threatened by outsourcing.

As long as the modern capitalist paradigm is dominant, there will be a situation of conflicting interests in organizational life. In the tension between the collective and the individual in the strategic management process, there are few leads for ethical management behaviour. The whole process largely negates the employee as a human being with personal aims of his/her own. There is an almost disciplinary manipulation of individuals to accomplish the organizational goals in obedience, even to the extent of the loss of their occupancy in the case of outsourcing.

Outsourcing can be considered one of the techniques in which management explicitly passes over the responsibility for 'the other' in reaching towards the company goals. This is a managerial violation of the fundamental human needs of the employees in this 'dark side of Metis' (Letiche and Stattler, 2005: 13). There are no organizational rules stating that the management can dismiss or transit human beings at any time, just because business functionalities can be performed more efficiently by another party. Nevertheless outsourcing is increasingly being performed by the management in contemporary organizations, affecting job-security in the non-profit environment of the in-house ICT staff.

The strategic management process of the SVB resembles the prevailing theoretical model which is critically assessed in this document. The management of the SVB acts largely according to prevailing management theory and increasingly applies modern management techniques, like standardization, with the possibility of quantification and control. The ICT strategy of the SVB is aimed at efficiency and outsourcing is one of the instruments to pursue cost optimization. This substantiates the hypothesis that the management of the SVB can and will decide to outsource.

Although the participants in the case study recognize the managerial actions concerning control and quantification, and directly link them to outsourcing, they obediently accept and endure. They still seem rather happy in their comfortable work environment, although they state that they are aware of the fact that management can and will outsource them to a commercial provider at any time, if there is a chance of business economic advantage. This refutes the part of the hypothesis concerning the acceptable assumption that the technical in-house ICT staff of the SVB have developed an intrinsic anxiety about outsourcing.

This surprising outcome elicits the question as to why the in-house ICT-professional shows no anxiety concerning the constant threat of outsourcing. It seems that the

managerial application of instruments such as outsourcing in the strategic management process, is experienced by the in-house ICT staff as a form of repression.

For the continuation of the research it was necessary to reconsider the theoretical view of the human endeavour.

In organizational theory and practice, the individual endeavour of the employee is mostly negated, because it is approached from the perspective of the organizational endeavour, which is the achievement of company objectives. Humans are social beings, and it is only in relationship with others, like in organizations, that they develop their identities and lead active, self-fulfilling lives. Being excluded from the group, as happens in the case of outsourcing, can cause anxiety, feelings of uncertainty and cultural estrangement.

The most important aspects of human activities are: happiness, voluntarily and conscious action, and being accepted and appreciated by the community. Along with this goes the assumption that the individual experiences the freedom to choose how and where to live life in his/her own way and enjoy his/her activity and the fruits of it. The activity must also be recognized to be advantageous to him/herself and to the group, so that through his/her activity s/he is considered to be a full member. This is the concern of reciprocity; only when there is recognition of uniqueness in equality, can there be activity without restrictions which affect the freedom to develop oneself. In the capitalist paradigm, as a result of the division of labour, the hierarchy frustrates this reciprocity by its institutionalization of power. As a result, the individual experiences a feeling of powerlessness in his/her situation, a lack of control over his/her own destiny. This leads to the realization of the importance of individual freedom in finding one's destiny. Fundamental to managing the freedom necessary to find self-fulfilment, is possessing the knowledge of the facts of life, the possibilities in life and one's capabilities. Only possession of these elements can result in a reasonable way of living and the control that allows one to plan one's life and thereby succeed, as opposed to being controlled.

Not only reason and knowledge of facts are necessary in this positive endeavour; also necessary is the knowledge of the effects of one's actions on the other. Without this attention, social isolation can occur, leading to a sense of exclusion in social relations and even self-estrangement. Fromm (1968: 89-90) emphasizes freedom in the search for the good life, calling it the precondition of all the important aspects in life, like love, tenderness, reason, interest, integrity and identity.

The conclusion may be drawn that the human being is vulnerable to managerial influences in the organizational drive and the availability of the short-term company incentives. This can lead to the repression of the individual's drive for self-fulfilment and adaptation to the organizational drives.

In this context Marcuse emphasized the manipulative influence of modern capitalism on human beings in societal communities, resulting in one-dimensionality. The last part of the hypothesis should therefore have addressed this repression which also leads to personal 'damage', only not as the antithesis in a dialectical, two-dimensional way eliciting anger, frustration, refusal and rejection, but as excessive adaptation and one-dimensionality. Thus, my first interpretation of the personal 'damage' was wrong due to the influence of my own attitude.

Because of this new angle in this research, the data was partly reanalysed in the continuation of the discussion.

The search for information which is evidently repressed and hidden had a complicating effect on this research from the start. The Social Photo Matrix methodology in particular revealed 'hidden' information. This methodology is designed for this purpose and did its work also in this research. Because the participants were wholly engrossed in their associations with the photographs, they showed no inhibitions and spoke freely, revealing a treasure trove of deep information. The examination of the outcomes of the SPM in the context of the critical theory discussed above, however, provided for the further unravelling of this puzzle. The repression among the in-house ICT staff, which becomes clearer in the context of a threatening phenomenon like outsourcing, leads to conforming behaviour and obedience. This phenomenon is associated by Marcuse with 'repressive desublimation'.

### **6.11.2 Application of repressive desublimation**

Marcuse, a nineteenth century critical theorist and a prominent member of the Frankfurt School, combined in his works the theories of Marx and Freud, aiming to develop a philosophy of the position of the individual in his/her collective environment. In his work he developed a picture of the manipulative forces of modern industrial society with a paralyzing effect on the individual drive for self-fulfilment. It has eliminated the utopian level in society by the easy availability and gratification of immediate pleasures, which ultimately satisfies human beings in their existence. This answers the human being's intrinsic urge for pleasure, and the individual thereafter falsely believes s/he is living the good life. Human beings increasingly repress their own self-fulfilment until they are convinced this one-dimensional behaviour is the way to lead the good life (Marcuse, 1991: 49).

The SVB organization is a part of contemporary society, thereby it is influenced by major characteristics of affluence such as the presence and increase of stupefying work and relaxation. These societal features are recognizable in the case study by the expressions of the participants about the degradation of their profession and the increasing constraints and restrictions by management, in the form of standardization, which affects creativity and intensifies control. Nevertheless, they are very attached to their comfortable position and they simply accept and endure.

These characteristics have a relationship with the one-dimensional organization. Applying Marcuse's thoughts to this organization, aspects like domination, indoctrination, manipulation and control resulting in quantification and mechanization come to prevail, creating an atmosphere of 'forced' tolerance and positive thinking among the employees. In the case study these features are comprehensively present in the expressions of participants about their fear of management, the standardization hype with the increasing possibilities of control, and the perceived lack of freedom.

Marcuse is convinced that such a societal and organizational realm is the breeding ground for 'repressive desublimation'. This leads to spontaneous acceptance of the situation, with satisfaction generating submission, the obliteration of the need for liberation, conformism to domination and a happy consciousness. In the case study, all of these features are extensively present. Acceptance of the offered 'indecent' working conditions and the pressured speed of learning. Submission to standardization and control because of the satisfaction created by the short-term incentives, like the comfortable working conditions. Organizational comfort, amplified by managerial control, in particular obliterates of the need for liberation. The participants even show signs of ending the pursuit of their passions. The combination of the relationship with management and the control pressure result in conformity. The happy consciousness in the case study can be concluded from the fact that the participants, knowing about the threat of outsourcing, which means the potential end of their much-appreciated comfortable, organizational life, stick to the organizational advantages of the moment. This creates a dominant feeling that the life they live is the only right, happy and normal way of living, and it even elicits the question: *"Is there life after the SVB?"* The consequence of this process is, as stressed in the foregoing discussion, a form of repression of the employee's 'sublimative' drives, resulting in what Marcuse (1991: 4-5) calls a state of "euphoria in unhappiness", consisting of the satisfaction of "false needs". This state leads to obedience and conformity, manifestations of which are present in the case study. Although the participants experience irritations and concerns about important aspects like standardization, procedures, control, and creativity restrictions, they don't act to do something about it. Instead they emphasize the nice earnings, relaxed work, good private/work balance, easy home-work traveling, etcetera.

Marcuse also saw the clear communicative aspects of 'repressive desublimation' in the one-dimensional organization, namely the stimulation of positive thinking, identification and unification which suppress critical thinking, the 'closed', command-like rhetoric creatively adjusting the truth. The result is that communication itself becomes an instrument of control. In the case study these features are abundantly present and even explicitly addressed by participants in their descriptions of what they want or definitely don't want from management. Nevertheless, in their working life they clearly adopt the rhetoric of freedom and fulfilment of the organizational

goals, which only has meaning in the context of propaganda, business and discipline (Marcuse, 1991: 57).

It seems as if the quick satisfaction offered by the contemporary capitalist system is closer to the human being and thereby stronger, than the urge for self-fulfilment. The Freudian pleasure principle has conquered the reality principle. Capitalism addresses itself more to human urges and extinguishes reason. Despite the clear signals brought by Marcuse to the public, employees keep on accepting and enduring the aforementioned working circumstances, such as powerlessness in the decision-making process concerning outsourcing.

In this research the Marcusean concept of 'repressive desublimation' was applied to shine more light on this subject. From the findings it may be concluded that the case study participants show the behaviour described by this concept. Although they are aware of the constant threat of outsourcing, they 'happily' enjoy the immediate gratification of the pleasures offered by the comfortable work environment and obediently perform increasingly stupefying work. "The administered life becomes the [false] good life of the whole" (Marcuse, 1991: 255). It may be concluded that the concept of 'repressive desublimation' as a research theory has been successfully applied to this research. Conversely, the results of this research have validated the theory.

Although I am personally convinced of the validity of the new hypothesis and the fact that it is substantiated by the case study results, when confronted with the theory of Herbert Marcuse, I also recognize the possibility that it can be opposed. This would most probably mean that the case study participants really are happy in their one-dimensional situation. If this was the case and one-dimensional society is our present and future, the consequences are frightening in my opinion and can be considered to result in the potential collapse of civil society.

# 7 Epilogue

**This chapter is my personal reflection on the research beyond the outcomes. It examines the societal relationship between the collective and the individual and the severity of its effects upon the well-being of the latter. I make suggestions on ways to overcome this, and finally, make a statement for the liberation of the human being.**

For almost all of my life, I have been intrigued by the relationship between the individual and the various manifestations of the collective. This interest reached its peak in the work environment when I experienced outsourcing as a spectator. In my opinion, this was the manifestation of human reification, where people are considered to be no more than an economic resource by the employer. I wondered why this process was being carried out the way I saw it happening in the organization, and what the impact was on the employees concerned.

My initial hypothesis in this research was:

‘The in-house ICT staff of the SVB are constantly threatened by outsourcing. Management can and will decide for outsourcing at anytime that it will lead to increase of efficiency or fits in the considerations of the ICT strategy. Considering the past experiences and the personal features of the in-house ICT staff, it is acceptable to assume they have grown an intrinsic anxiety about outsourcing.’

This research was my attempt to substantiate this hypothesis, and in coming to the conclusion of my work, I must admit that it was and still is a complicated issue. The relationship between the collective and the individual is a complex dynamic of economic, social, psychological and philosophical factors.

The last centuries have seen the development of the notion that the individual and the collective build a relationship with each other based upon their needs. The basic individual intention, “aiming at the ‘good life’ with and for others in just institutions” (Ricoeur, 1994: 172), is being more and more violated by organizational manipulation for the sake of economic growth. This capitalist organizational drive leads the individual, the employee, to be reified by the collective in the competitive struggle. Despite all the advantages of the social capitalist system, the result will probably be a form of ‘modern slavery’ for most employees if nothing is done about it. One of the key issues lies in the fact that the individual worker exchanges his/her labour power for wages, and the employer takes it for granted that the wages not only buy the labour

power but also a significant part of the individual. This creates a situation in which the collective exerts power over the individual in order to reach the company goals. The result is an inequality in the organizational relationship in which the opinion of the worker is of less importance than that of the manager, and the life of the employee depends on fulfilling the requirements of a superimposed function (Marcuse, 1991: 128).

In the early days, unions arose to bring in a form of balance by providing protection to the individual in the collective sphere of influence, but the strength of the unions is now declining. It will take a great deal of effort to bring back the balance again, because the exploitation of the weak by the strong is a persistent tendency in human relationships. As Mill (2007: 50-51) said: "The tendency of people to, as rulers or fellow citizens, force one's own opinions or preferences on others is so much strengthened by some of the best and some of the worst feelings that are given to human nature, that it almost will never be restrained except by lack of power." This situation is amplified by the environment human beings have to deal with: "The problem we are confronted with today is that of the organization of social and economic forces, so that man – as a member of organized society – may become the master of these forces and cease to be a slave" (Fromm, 2009: 233).

The primary responsibility of management in the strategic management process is achieving the organizational objectives. Outsourcing is a powerful means to this end, and has a similarly powerful effect on the employees involved. Emphasizing the desire of management to direct the organization towards its aims and goals implicates an ethical discussion on the position of the individual in this process (Letiche and Boje, 2001: 24). The ethical question about the rights of the collective to manipulate and utilize the individual in reaching these aims must be examined.

The practice of outsourcing, for instance, typifies itself by the power relationship between management and subordinate, wherein the freedom of the latter is self-evidently ignored and denied by the former. As previously said, freedom is the condition for ethics (Foucault, 1997: 284), and outsourcing as practiced in contemporary organizations is therefore unethical.

Prevailing organizational theorists more or less mould business ethics to serve the company goals, with attention for the individual mostly concentrated in the human resource management process and some management techniques. Critical writers, however, place emphasis upon the individual as a human being, with some attention given to the collective objectives. A balance between these two approaches must be found in order to make life in organizations more liveable. If the balance tips too much in favour of the individual, the company in question may not be sufficiently competitive to survive, with obvious negative consequences for its employees. On the other hand, this thesis has shown the results when the balance tips too much



in favour of the company, as is the current situation. In my opinion, the balance needs to shift more in the direction of the individual, while still taking account of the organizational objectives.

From the organizational perspective, there must be a revival of business ethics in organizations, with an emphasis on the individual. As a means of addressing responsibility for the other, ethics can potentially play a renewed role as anchor point in contemporary organizations. From the perspective of the individual, in my opinion there ought to be a way to balance the individual's personal needs with his/her contract obligations to the company. Ricoeur (1994: 179) calls this the human compromise between the good life and important existential decisions, such as one's career. Bauman (2009: 124) refers to "the choice" to act ethically in the "pursuit of happiness", the good life.

Perhaps the government, as a representative of individuals in the modern democracy, must take the responsibility to play a corrective role in the disturbed balance between the social 'partners'. Levinas (2006: 92) believes that in some way "the state is necessary", I subscribe to his further elaboration that by giving the government or another authority an important role in the relationship between the individual and the collective, one is not relieved of one's own responsibility in it (Levinas, 2006: 89-90). It is therefore important for the participants in this social process to be educated in more than just economic and political theories; even the government participants should be assessed on their ethical performance.

Just as important is the education of management. Much of the material still mainly originates from the beginning of the twentieth century, and the most recent update in the 1950s (Mintzberg, 2004: 23) was still focussed on the old-fashioned capitalism of Frederick Winslow Taylor. This way of thinking sees people described in terms of 'human capital' and 'human resources' and reified to fit smoothly into the strategic management process. This is amplified by the use of processes, techniques, schemes, and models, etcetera, in the education of the manager. The manager approaches the individual human being with whom s/he works from this rational perception, imposing his/her perception on the other, reifying the other and inevitably restricting the employee's personal freedom. This reification is manifest in the constant threat of outsourcing. Ricoeur says in this context, "We can obtain things, exchange them, use them; the manner of existing of persons consists precisely in the fact that they cannot be obtained, utilized or exchanged" (1994: 226).

This one-dimensional view must be replaced by a more holistic one, where there is also room for philosophical, ethical and humanistic approaches. Of course this means that management theory must be altered accordingly too, and even that students must be selected because of the importance of their future role in society. By this I

mean something other than what is meant by leadership nowadays, which is seen as a part of management (*ménagement*: the art of directing/leading; *manu agere*: take by the hand) that has to do with the manipulation of employees in order to steer their behaviour and activities in the desired direction. Kotter, for instance, defines management and leadership as a number of qualities which can be combined in one person: “Leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen” (Kotter, 1996: 25). This combination is a confusing and subtle manipulation in itself. Kotter once also said: “It’s easy to compare with an army... There has never been someone that has discovered how people during a war can be effectively managed; they must be led” [FB]<sup>83</sup> (Kotter, 2000: 29).

Something fundamental must be altered in the way the collective and the individual work together in organizations, so that there is an emphasis on humanity and the fundamental rights of employees are respected. But this is very difficult to achieve because the situation is indissolubly connected to the economic conditions in the modern capitalist paradigm. In this paradigm, developments usually occur in small, unnoticeable steps, so that the current situation is always considered to be ‘normal’. Conscious, critical and assertive employees are necessary in order to break this pattern.

The message is that human beings must direct their energy towards changing things for the better. I agree with critical writers like Marx, Marcuse, Fromm, etcetera, when they say that although this process involves intelligent, independent and free human beings, in principle this state is possible to some degree for everybody. In my opinion, aiming at happiness is also a noble life-aim for a human being. However this requires the individual to be conscious of his/her potential, and to be capable of seizing the opportunities that will liberate him/her from his/her current state. This involves personal freedom, which can only be reached in the struggle with the established authority, the bureaucratic organization and its management. This means the establishing of a countervailing energy which Marcuse (1969: 87) calls the positive effects of negative thinking, which brings more realism into the strategic management of contemporary organizations.

In my opinion my research clearly shows that outsourcing is a culmination of capitalism, performed by management, and a reification of human beings. It has a negative effect on the well-being of the individual worker in contemporary organizations, repressing the individual search for self-fulfilment. This must be a trigger for employees to recognize the severity of the situation they are in and to seize the potential for liberation. This does not have to be a revolution – on the contrary, as revolutions mostly don’t deliver what they promise in the longer term. Evolution, by contrast, is

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<sup>83</sup> “Men kan een eenvoudige vergelijking met het leger maken.....Er heeft nog nooit iemand ontdekt hoe je mensen tijdens een oorlog effectief kunt managen; ze moeten geleid worden.”

often a more solid base for change, in my opinion, making individuals aware of their situation so they can choose for themselves to change it. This evolutionary change process, however, can take a long time, and can lead to toil and peril. Perhaps the current workers will not reap the fruits of their toils, but future generations of workers at least will benefit.

It is unrealistic to expect that the employees in contemporary organizations will be able to pull themselves out of the organizational quagmire they are in. Here awaits a noble challenge for the aforementioned critics in society, to mirror to the individual the situation s/he is in and where s/he is heading, so that s/he “no longer accepts the given order of things but stands up to it because he has learned the notion of things and learned that the truth does not lie in the current norms and opinions” (Marcuse, 1999: 244).

Freedom, as the most essential precondition to obtain one’s aims in life, presupposes equality in relationships with the other. To reach equality the other must be ‘seen’ and recognized as a worthwhile human being, almost as more worthwhile than oneself, as Levinas (2006: 56) puts it. Levinas considers this subordination of the self in comparison with the other to be a condition for reaching the ‘good life’ and for one’s own ‘growth’ into a real active human being. This means an ethical process: “To be for the other – be responsible for the other – to love!” [FB]<sup>84</sup> (Levinas, 2006: 71). I fully agree with him, because we all are dependent upon each other in our existence. Exploiting even one human being for the sake of one’s own good makes one guilty before humanity. If people only realize this, there will be a basis for better relationships in the organizational environment. Just as Levinas said, I find the outcry of Zosima in *The Brothers Karamazov* striking in its illustration of what is hopefully going to happen to all of us: “Mother, my little heart, in truth we are each responsible to all for all, it’s only that men don’t know this. If they knew it, the world would be a paradise at once” [FB]<sup>85</sup> (Dostojewski, 1996: 299). Without the intrinsic care for the other as a priority, humanity heads for a long enduring antithesis.

One of the reasons I wrote this thesis was to signal that in our contemporary economic, political environment, individuals are being incorporated bit by bit into the collective struggle and as a result are repressing their own personal struggles. In this process of reification, outsourcing is simultaneously a means to a collective end and an explicit signal saying to us: ‘turn the tide and think for yourself’.

<sup>84</sup> “Zijn voor de ander – instaan voor de ander – liefhebben!”

<sup>85</sup> “Moeke, druppeltje hartebloed van me, elk van ons is schuldig ten opzichte van alle anderen, de mensen weten het alleen maar niet. Als ze het zouden beseffen, dan zouden we meteen in het paradijs leven.”

Before concluding, I want to use the outcomes of this thesis to reflect on a sentence from Diana Hoogeveen's *How do Professionals Perceive Outsourcing?* which I mentioned in Chapter One. The sentence reads: "Therefore ICT professionals may react differently to outsourcing than other professionals" (Hoogeveen, 2007: 951). From my research I can conclude that the SVB's in-house ICT professional does not differ from other human beings. The research presented here reveals that the in-house ICT professionals at the SVB suffer all of the usual human anxieties about job motivation and job loss. Erich Fromm's plea is also relevant to their situation: "The development of the human being and not industrial <<progress>> must be the leading principle of the social organization" [FB]<sup>86</sup> (1980: 98). In my opinion, Fromm's plea is a necessary reversal of and a powerful statement against Frederick Winslow Taylor's still-current notion (excerpted from the introduction of his paper *The Principles of Scientific Management*): "In the past the man has been first; in the future the system must be first" (Taylor, 2007: 8).

The question is how to end the antagonistic relationship in the contemporary labour process, "how is it even thinkable that the vicious circle be broken?" (Marcuse, 1991: 251). The answer according to Marcuse is critical thinking, the force of the negative, or as he calls it, the "great refusal" (Marcuse, 1991: 257). Awareness, however, is a priori for the humanization of the prevailing strategic management process in contemporary organizations. As Fromm puts it: "The humanization of the system, in such a way that it serves the purpose of man's well-being and growth, or in other words, his life process" (1968: 98).

Some may call this thesis a pamphlet and typify it as a slightly revolutionary, and I can't deny its nature. In 1969, Marcuse wrote about the need for society to awaken from its repression to see the importance of human freedom: "I believe that, in the militant youth of today, the radical political synthesis of experience is taking place – perhaps the first step towards liberation" (Marcuse, 1972: 223). I was asleep at that time – like most of us, considering the current societal situation. This is a repeat wake-up call.

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<sup>86</sup> "De ontplooiing van de mens en niet de industriële <<voortuitgang>> zal het leidend beginsel van de sociale organisatie moeten worden."

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### **Outsourcing: Wie wordt bedreigd?**

#### **Een kritische kijk op outsourcing als strategisch management instrument**

In de huidige kantooromgeving neem ik een toenemende mechanisering waar. Mensen in bedrijfsuniformen, pakken met stropdas, werken aan uniforme werkplekken, op een veelal gestandaardiseerde werkwijze, lange dagen om bedrijfsdoelstellingen te realiseren. De vraag dient zich aan waarom mensen dit doen en hoe zij dit volhouden. Het lijkt erop dat werknemers hun werkomgeving vanzelfsprekend accepteren en zich conformeren aan de doelstellingen van de organisatie, die hiervan op een effectieve wijze gebruik maakt.

Speciaal in het geval van outsourcing van ICT, een fenomeen dat zich veel voordoet in in-huis ICT-organisaties, wordt deze situatie helder. De organisatie, gebruik makend van de inzet van de medewerkers, besluit eenzijdig, meestal op bedrijfseconomische gronden, een deel van de ICT-functie te verplaatsen naar een commerciële organisatie, meestal inclusief de bijbehorende ICT-medewerkers. Mijn ervaring is dat dit een grote emotionele beleving is voor de betrokken mensen.

Zowel in de pers als in de directe omgeving van de in-huis ICT-medewerker is dit, steeds meer voorkomende, fenomeen duidelijk aanwezig en aangenomen mag worden dat elke in-huis ICT-medewerker hiermee in aanraking kan komen. De vraag is welke invloed deze 'dreiging' heeft op de in-huis ICT-medewerkers tijdens hun werkzame leven in relatie tot hun persoonlijk welbevinden. Het doel van dit onderzoek is om het effect van dreigende outsourcing op de in-huis ICT-medewerker transparant te maken.

Mensen werken in organisaties in een arbeidsproces, waarin zij een gespecificeerde rol vervullen om meerwaarde te genereren voor de organisatie. In dit onderzoek wordt 'labour process theory', aangevuld met stromingen als 'poststructuralisme' en vooral 'critical theory', gebruikt om dit arbeidsproces te onderzoeken. 'Labour process theory' gaat ervan uit dat werkgever en werknemer in een spanningsveld verkeren. De werkgever streeft in het arbeidsproces naar een zo groot mogelijk resultaat. De werknemer zal dat resultaat moeten leveren met zijn/haar arbeid. De werkgever zal het maximum van het arbeidspotentieel van de werknemer willen verwezenlijken. Hiervoor wordt een zo efficiënt mogelijk arbeidsproces ingericht waarbij de controle over het werk zoveel mogelijk wordt gescheiden van de uitvoering van het werk zelf. Dit proces degenereert het werk van de werknemer zozeer dat hij/zij ervan vervreemd is en moeite heeft om de eigen potenties te realiseren. Aangezien dit een vrij objectieve analyse is, hebben de critici 'labour process theory' gecompleteerd met het subjectieve element,



de mens in het arbeidsproces, en de effecten van het arbeidsproces op het individu geanalyseerd. 'Critical theory' gaat daarbij vooral uit van freudiaanse concepten als dominantie en verdringing. Managers, als vertegenwoordigers van de werkgever, spelen in het arbeidsproces een grote rol in het welbevinden van de werknemers en het verwezenlijken van hun eigen potenties.

In moderne organisaties in de kapitalistische wereld is in het arbeidsproces een strategisch management proces ontstaan om de organisatiedoelen op een zo effectief en efficiënt mogelijke wijze te behalen. Hiervoor worden in het proces middelen gebruikt. Mensen worden in het strategisch management proces gezien als een speciaal soort middel dat kan worden ingezet voor het bereiken van de organisatiedoelen. De effectieve inzet van mensen wordt bewerkstelligd door een managementlaag die de visie van de top van de organisatie, via een machtscascade, vertaalt naar de medewerkers. Van de medewerkers wordt gehoorzaamheid en optimale inzet verlangd, hiervoor staat het management een scala aan management technieken ter beschikking. Deze technieken dienen een tweeledig doel, ten eerste, om de medewerker tot steeds hogere productie te bewegen, ten tweede, om de medewerker het gevoel van zelfstandigheid en welbevinden te geven. Het strategisch management proces heeft veel gelijkennis met het militaire systeem, waarin de rekruten door de hiërarchie worden 'gemotiveerd' om zich kritiekloos in te zetten voor een hoger doel, en zich daarbij goed en nuttig te voelen.

ICT heeft een grote invloed op het strategisch management proces door het scheppen van mogelijkheden in het behalen van concurrentievoordeel. De keerzijde is echter de versterking van de mechaniseringstrend in zowel het management, in het bijzonder door controle mogelijkheden, als het werkproces, via werksturing. Dit is een mechanisch proces, waarin de individuele mens wordt ingezet als één van de overige middelen. Deze wijze van handelen in het kapitalistisch paradigma is al sinds Marx expliciet en veelvuldig aan de kaak gesteld. In de huidige maatschappij wordt dit genegeerd en wordt het strategisch management model, ook door de werknemers, als het enig mogelijke model geaccepteerd. Vrijwel de totale werkbevolking is hierin opgegroeid en gemanipuleerd, hierdoor is een vanzelfsprekendheid ontstaan, die zich uit in kritiekloosheid en acceptatie.

Outsourcing is een strategisch management instrument met grote consequenties voor de betrokken medewerkers. Het is een krachtig instrumentarium, ter beschikking van het management, waarmee zij zonder veel onderbouwing (een deel van de) bedrijfsactiviteiten, inclusief de betrokken medewerkers, buiten het bedrijf kunnen plaatsen. Het voorbijgaan aan de factor mens, zoals is aangegeven in dit onderzoek, is de basis onder de constatering dat outsourcing een onethisch instrumentarium is. Mede vanwege de hoge kosten en complexiteit van ICT, is outsourcing ervan al decenia lang een snel groeiend fenomeen in de marktwerking. In-huis ICT-afdelingen,

zoals die van de SVB, worden dan ook steeds schaarser. Outsourcing mag dus worden beschouwd als één van de meest op het leven van de in-huis ICT-medewerker ingrijpende management instrumenten. De aanname is dan ook dat dit fenomeen een sterk effect heeft op het welbevinden van de in-huis ICT-medewerker, wat de toepasbaarheid als onderzoeksobject in dit onderzoek vergroot.

De SVB is één van de best opererende, zelfstandige bestuursorganen (ZBO) dat wetten uitvoert voor de Nederlandse overheid. Hoewel de SVB een deel van de exploitatie van de primaire automatisering heeft geoutsourced, wordt nog een groot deel van de automatisering uitgevoerd door een in-huis ICT-organisatie. Vanwege een opkomende concurrentie en een bezuinigingsdruk wordt ook binnen de SVB outsourcing steeds meer gezien als een mogelijke oplossing om het bedrijfsresultaat te verbeteren.

In de SVB is een strategisch management proces werkzaam dat sterke gelijkenissen vertoont met het standaard theoretisch proces. Het management en de besturing van de organisatie van de SVB is daarmee vergelijkbaar met haar omgeving. De dreiging van het instrument outsourcing met mogelijk een groot effect op het welbevinden van de ICT-professionals moet in de SVB-organisatie dus merkbaar zijn. Mijn aanname voor dit onderzoek was dan ook dat de technische in-huis ICT-professionals bepaalde angstgevoelens hebben ten aanzien van de dreiging van outsourcing, dat hen vrijwel zeker zal overkomen.

Empirisch onderzoek is uitgevoerd door middel van de methodologie 'Social Photo Matrix' en additionele interviews met applicatieontwikkelaars en technisch ICT-specialisten in de in-huis ICT-organisatie van de SVB. Met behulp van de methodologie 'Social Photo Matrix', welke ontworpen is om verborgen persoonlijke gegevens te achterhalen, is veel informatie vrijgekomen, die is gebruikt in een data-analyse aan de hand van een initiële hypothese. De hypothese in dit onderzoek was kort gezegd: technische in-huis ICT-professionals worden bedreigd door ICT-outsourcing, management speelt hierin een grote rol en dit veroorzaakt angstgevoelens.

De ICT-professionals geven duidelijk aan de commerciële werkomgeving, hun waarschijnlijke bestemming in het geval van outsourcing, te verafschuwen. Zowel het 'harde' human resource management in de commerciële omgeving staat hen tegen, als het beschouwen van de mens als kwantificeerbare 'resource'. Daarnaast geven ze te kennen zeer veel waarde te hechten aan bepaalde aspecten in de non-profit in-huis omgeving, te weten, de goede secundaire arbeidsvoorwaarden en het verbonden zijn met een groep collegae. Het management benaderen ze met een ambivalente houding, aan de ene kant voelen ze zich bedreigd door het management, vooral vanwege de controle en de trend om hen kwantificeerbaar te maken. Aan de andere kant stellen ze zich vrij afhankelijk op, vooral in hun behoefte aan communicatie en transparantie in het strategisch management proces. Ze geven duidelijk te kennen dat ze weten, uit

de pers en gesprekken met externe medewerkers waarmee ze samenwerken, dat wat hen tijdens het outsourcing proces te wachten staat een ernstige inbreuk is op hun zekerheid, veiligheid en welbevinden.

De ICT-professionals beschouwen outsourcing als iets afkeurenswaardig voor zowel de organisatie als henzelf. Ze zien dat het management een grote rol speelt in outsourcing, echter men toont er geen angst voor, maar benadert het op een gelaten wijze. Dit was een gedeeltelijke ontkenning van de hypothese en de vraag is waarom de technische ICT-professionals een vorm van gelatenheid te kennen geven ten aanzien van de dreiging van outsourcing op hun welbevinden. Waarom voelen zij geen extremere gevoelens, zoals angst en woede en ondernemen zij geen door henzelf geïnitieerde en geregisseerde actie om persoonlijke schade zoveel mogelijk te voorkomen of te verzachten? Om een antwoord te vinden op deze vraag, is het streven van de mens onderzocht.

Als sinds de oudheid wordt aangenomen dat het streven van de mens gericht is op geluk in het leven. Wat dat geluk precies inhoudt is minder duidelijk, echter zaken als sociale activiteit, vrijheid en verwezenlijking van persoonlijke potenties zijn daar volgens wetenschappers, door de eeuwen heen, wezenlijke onderdelen van. Het eerste, benadrukt de menselijke behoefte om te behoren tot een groep met de mogelijkheid om een identiteit op te bouwen. Het tweede verwijst naar de behoefte van de mens om zoveel mogelijk de eigen weg te kunnen bepalen in het leven. Het laatste geeft aan dat de mens van nature streeft naar een hogere vorm, binnen de gegeven mogelijkheden. In het strategisch management proces zijn de mogelijkheden voor het streven naar een gelukkig leven, door de genoemde kenmerken ervan, nauwelijks aanwezig. De werknemer heeft dit door de constante manipulatie, onbewust, onderdrukt in het streven naar de organisatiedoelstellingen die niet vaak in lijn liggen met de eigen doelstelling, het 'goede leven'. Het resultaat is dat management besluit over wezenlijke aspecten in het leven van de medewerker, zo ook in het geval van outsourcing.

Voor het vervolg van dit onderzoek diende het laatste deel van de initiële hypothese in dit kader te worden aangepast. De initiële hypothese was: technische in-huis ICT-professionals worden bedreigd door ICT-outsourcing, management speelt hierin een grote rol en dit veroorzaakt angstgevoelens. De aangepaste hypothese wordt: technische in-huis ICT-professionals worden bedreigd door ICT-outsourcing, management speelt hierin een grote rol en dit veroorzaakt onderdrukking van angstgevoelens. Deze onderdrukking leidt eveneens tot persoonlijke schade. Alleen niet als antithese in een tweedimensionaliteit, wat reacties als woede, frustratie en weigering teweeg kan brengen, maar als aanpassing aan eendimensionaliteit. Hierdoor wordt een kritische, actieve opstelling onderdrukt met een negatief effect op de mogelijkheid tot het ontplooiën van de eigen potenties. Vanwege deze wending in het onderzoek, is voor het vervolg een deel van de data opnieuw belicht.

Het antwoord op de vraag 'waarom' de onderdrukking van angstgevoelens, en daardoor mogelijk geïnitieerde kritiek en actie, plaatsvindt, is gezocht in het werk van Herbert Marcuse. Marcuse waarschuwde in de jaren 60 van de vorige eeuw al voor de gevolgen van kapitalistische manipulatie resulterend in wat hij een 'eendimensionale maatschappij' noemde. Een maatschappij zo gericht op korte-termijn bevrediging dat het kritisch element is onderdrukt.

Herbert Marcuse, een Duitse filosoof die leefde in de 20<sup>ste</sup> eeuw, was één van de prominente leden van de Frankfurt School. Het werk van Marcuse is beïnvloed door Marx en Freud en is gericht op kritisch denken en de mogelijkheid van het verwezenlijken van de individuele potenties in de moderne kapitalistische maatschappij. Marcuse vond dat door de overvloedige mogelijkheid en stimulans van de directe bevrediging van behoeften in die maatschappij het 'natuurlijke' streven naar persoonlijke verwezenlijking wordt onderdrukt. Hij onderkende dit al in het midden van de vorige eeuw, als een aan Freud gerelateerde consequentie van de kapitalistische manipulatie. Volgens Freud willen mensen ongeremd, onmiddellijk plezier nastreven, echter worden zij door de beschaving zodanig in toom gehouden dat dit streven wordt gericht naar voor henzelf en de maatschappij nuttige, sublimatieve acties. Marcuse duidt op het effect van de constante manipulatie van het kapitalistische systeem hierop en geeft aan dat door die manipulatie de mens aangemoedigd wordt en geneigd is tot directe bevrediging. De temperende invloed van de beschaving, Freud noemt dit het realiteitsprincipe, wordt daardoor onderdrukt en overgenomen door het plezierprincipe. Het effect op de mens kan een van buitenaf gestimuleerde niet-kritische en onverschillige houding zijn, gericht op het nastreven van zoveel mogelijk en directe bevrediging. Dit noemt Marcuse 'repressive desublimation', de mens groeit niet meer en staat niet meer aan het roer van zijn eigen acties.

Deze filosofie past op de geconstateerde situatie in het strategisch management proces. De medewerkers onderdrukken hun noodzakelijke, kritische houding en hun wil tot zelfsturing om hun potenties optimaal te verwezenlijken. In het geval van outsourcing is dit extra duidelijk. De afwachtende houding, het genieten van de directe bevrediging van secundaire arbeidsvoorwaarden en het kiezen voor de schijnzekerheid van de SVB, bouwend op het vertrouwen in de organisatie die hen gebruikt, zoals gebruikelijk in het kapitalistisch systeem. In het vervolg van dit onderzoek is daarom het theoretische concept 'repressive desublimation' gebruikt in de discussie over de confrontatie van de case study met de theoretische beschouwingen over de mens in de organisatie, waarin outsourcing een continue bedreiging is.

Hoewel het strategisch management proces van de SVB vergelijkbaar is met dat van commerciële bedrijven, zijn hier en daar nog kenmerken aanwezig, die in het verleden behoorden bij non-profit organisaties. Te denken valt aan de lagere arbeidsdruk, de goede secundaire arbeidsvoorwaarden en de relatieve baanzekerheid. Dit zijn echter

zaken die aantoonbaar snel verminderen binnen de SVB, het bedrijf is meer en meer op weg om een standaard marktbedrijf te worden, met alle consequenties op het gebied van outsourcing.

Concluderend kan worden gesteld dat er sinds eeuwen door wetenschappers op wordt gewezen dat het werken in organisaties in het huidig kapitalistisch paradigma indruist tegen de fundamentele kenmerken van de mens. Outsourcing is hiervan een culminatie en zou in principe de genoemde tegenstelling extra moeten belichten. Vooral het kenmerk om mensen te beschouwen als resources, die kunnen worden verplaatst indien dit commercieel aantrekkelijk is, vaak zonder de mensen te betrekken in de besluitvorming, onderstreept het onethisch karakter van dit fenomeen. De medewerkers in de case study lijken echter de dreiging die hiervan uitgaat te onderdrukken en niet hun eigen weg te kiezen, maar een afwachtende houding aan te nemen. Het lijkt erop dat de directe bevredigingen die geboden worden door de in-huis, non-profit werkomgeving sterker zijn dan de behoefte om zichzelf te ontplooien tot het optimum van de eigen potenties. Het freudiaanse plezierprincipe heeft het in deze gewonnen van het realiteitsprincipe. Ondanks het duidelijke signaal van Marcuse, blijven werknemers werkomstandigheden zoals de huidige wijze van de toepassing van outsourcing in het strategisch management proces, vrijwel kritiekloos accepteren.

In dit onderzoek is het concept 'repressive desublimation' van Marcuse toegepast om licht te schijnen op de geconstateerde attitude van de in-huis ICT-professionals van de SVB ten aanzien van hun werkomgeving. Uit de bevindingen mag worden geconcludeerd dat de betrokkenen in de case study de aan dit concept gerelateerde houding vertonen. Hoewel zij zich bewust zijn van de constante dreiging van outsourcing, onderdrukken zij dit en streven naar de directe bevrediging van de geneugten van hun comfortabele werkomgeving en voeren loyaal hun steeds meer gestandaardiseerde werk uit. Het gevestigde, organisationele leven wordt gepercipieerd als ware het het 'goede leven'.

Geconcludeerd kan worden dat in dit onderzoek het concept 'repressive desublimation' als onderzoekstheorie heeft voldaan, het beschreven resultaat is voornamelijk op basis van deze theorie behaald. Daarmee is het concept met deze empirische toets gevalideerd.

Hoewel ik overtuigd ben van de validiteit van het concept 'repressive desublimation' in dit onderzoek, geef ik de mogelijkheid van oppositie toe. Indien dit overtuigend is, dan volgt daaruit wellicht dat de in-huis ICT-medewerkers uit de case study oprecht tevreden zijn in hun eindimensionale situatie. De effecten voor de maatschappij zijn bij extrapolatie evident ernstig.

# Appendices

## 1 Abbreviations

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In this Appendix the abbreviations used in the text are explained.

AKW: Algemene Kinderbijslag Wet, the Dutch law concerning general child benefits.  
ANW: Algemene Nabestaanden Wet, the Dutch law concerning the benefits available to surviving dependants.

AOW: Algemene Ouderdomswet, the Dutch law concerning the general old age pension.

BiSL: Business information Services Library, a framework for functional management and information management.

CMM: Capability Maturity Model, a model that generates information about the maturity of a company with regard to certain business processes, with the aim of improving business quality.

CMMi: A further developed version of CMM.

COBOL: COmmon Business Oriented Language, a third generation computer programming language, primarily used in the administrative and financial domain.

ESP: External Service Provider, a mostly commercial company which provides outsourced services.

FNV: Federatie Nederlandse Vakbeweging, a union for employees in the agriculture, industry, business services, trade and personal transport sectors.

IBM: International Business Machines, a multinational computer hardware and software manufacturer and ICT consultancy and data centre organization.

iBVM: The SVB's integrated company governance model (integraal BedrijfsVoerings-Model), a model used to direct and assess the activities of the change programme 'Tien voor Service'.

ICT: Information and Communication Technology used by organizations to support their business functions.

INK: Instituut Nederlandse Kwaliteit is the Dutch partner of the EFQM, mainly known for their INK model, a management model for self-evaluation aimed at identifying improvements that will help an organization to reach a higher maturity level.

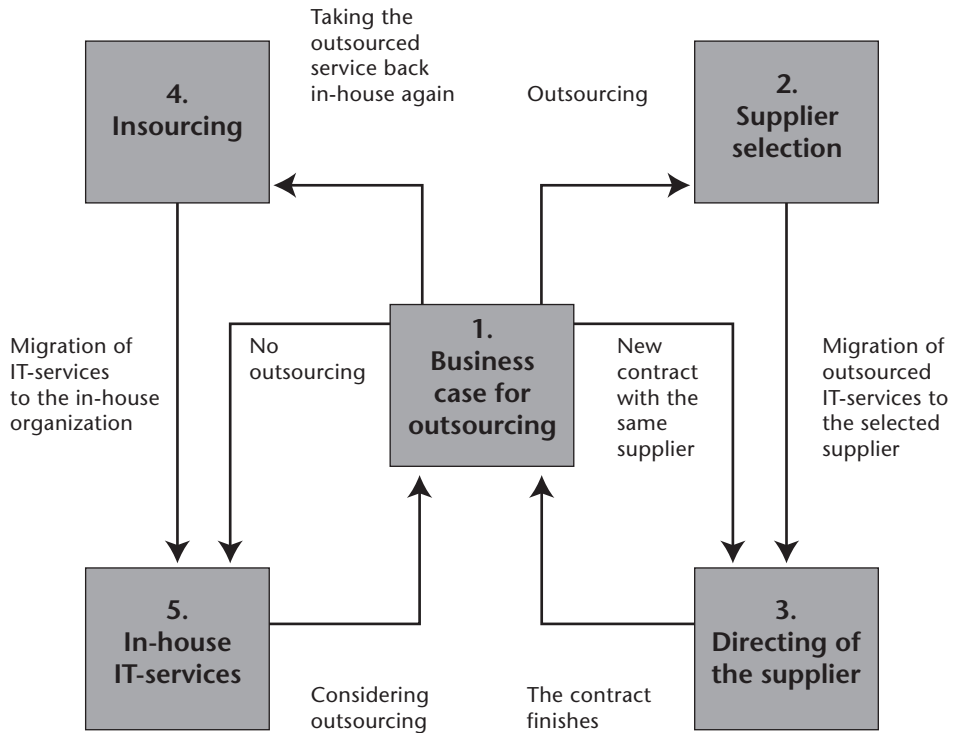
IT: Information Technology, the former designation of ICT, and also the technical part of ICT.

ITIL: Information Technology Infrastructure Library, a set of concepts and best practices for managing ICT processes and services.

JIT: Just-In-Time system. Originally an inventory strategy that improves return on investment by optimizing the inventory to the minimum in the logistic process. An example of the Japanese search for business advantages using a systemized lean business approach.

- JPM: Japanese Production Management, an umbrella term for the range of mainly Japanese lean manufacturing methods, such as Kaizen, JIT and 5S.
- Kaizen: A JPM method focussed on continued improvement by elimination of waste. Kaizen is strongly related to Frederick Winslow Taylor's scientific management.
- Prince2: Projects IN Controlled Environments 2, a structured method for project management.
- REM: Remigratiewet, a Dutch law covering the payment of benefits to immigrants who return to their country of origin.
- SLA: Service Level Agreements. A part of a service contract that formally defines the level of service between a customer and supplier of that service.
- RSI: Repetitive Strain Injury, an injury of the musculoskeletal and nervous system that may be caused by repetitive tasks, forceful exertions, vibrations, mechanical compression (pressing against hard surfaces), or sustained or awkward positions. RSI is often related to stressful working environments and is associated with ICT.
- SUWI: Wet Structuur Uitvoeringsorganisatie Werk en Inkomen (Work and Income (Implementation Structure) Act), a law describing the roles and responsibilities of administrative organizations responsible for ensuring the reliability of benefits, information and support to non-workers in Dutch society, with the aim of efficiently reintegrating them into employment.
- SVB: Sociale Verzekeringsbank, a Dutch administrative company that executes laws for the Dutch government, including the AKW and AOW.
- SZW: Sociale Zaken en Werkgelegenheid, the Dutch Ministry of Social Affairs and Employment.
- TOG: Tegemoetkoming Onderhoudskosten Thuiswonende Gehandicapte Kinderen, a Dutch law that arranges the provision of benefits to parents for the support of their resident handicapped children.
- TQM: Total Quality Management, a management concept aimed at continuous improvement of company performance and increasing customer satisfaction.
- WCIT sourcing cycle: A lifecycle model that describes all the stages of the sourcing process based on the continuous assessment of business functions, to determine the advantageous consequences of sourcing.

Figure 1: The WCIT sourcing cycle (Delen, 2003: 11)



ZBO: Zelfstandig Bestuursorgaan (Autonomous Administrative Institution), an institution that administrates social security in the Netherlands.

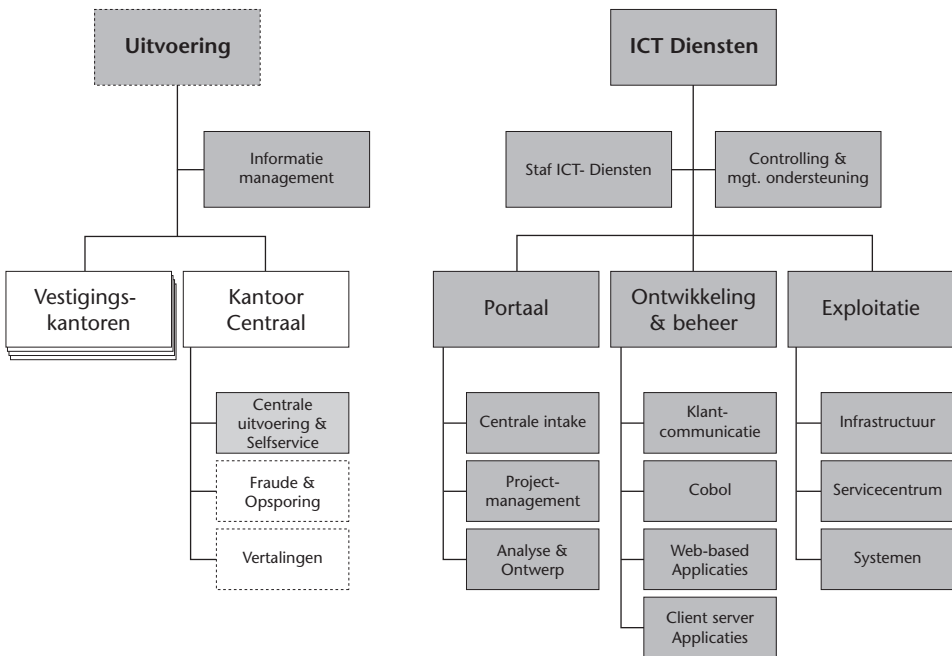
ZD: Zero Defects, a quality control methodology used for the constant improvement of company productivity and performance.



## 2 The SVB organization

The figure below is a structural diagram of the part of the SVB organization which is examined in this thesis. It includes the business demand organization and the ICT supply organization.

Figure 2: The structure of the SVB's business demand and ICT supply organization



The application developers involved in the SPM and the interviews work in the Development and Maintenance department (Ontwikkeling & Beheer). The technical ICT staff who were interviewed as a reference group work in the Operations department (Exploitatie).

### 3 Quantitative information

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This Appendix contains the quantitative information used in the research.

#### Quantitative information about the case study

The data quantifies the relationships and correlations between the different features and attitudes of the group participants to discover connections that can help in the case study analysis. The data was collected by performing open interviews with questions on the following subjects:

- Personal information: age, education, career, family circumstances;
- Professional information: work tasks;
- Attitude concerning the profession: how the participants perceive their profession, e.g. are they passionate or not about it;
- Attitude concerning the in-house situation: likes and dislikes, personal importance attached to these aspects, comparison with the outside world;
- Concern about external developments: the developments that catch their attention (this can be positive or negative);
- Personal attitudes about these developments: concerning both the employer and their own personal position.

The subject of management was only addressed in the interviews with the reference group. The reason for this was that during the SPM and the interviews with the SPM participants, the subject of management behaviour was repeatedly raised in connection with outsourcing. This was the only time I decided to change my strategy a little for an important detail; for the interviews with the reference group, I added the extra question below about the desired management behaviour with regard to the perceived external developments. The consequence of using this question only in the interviews with the reference group, however, is that the data analysis of this aspect only relates to the reference group of 24 participants, the ICT specialists (see final row of each table below). The question is:

- Expectations of managerial behaviour: what do the participants think that management must certainly do, or not do, to perform well in the described circumstances?

The total group consisted of ICT professionals trained to a higher education level, and split into the following categories:

- Nine application developers: The application developers are programmers who also do technical design, and who maintain and build applicative solutions. An important part of their role is trouble shooting;
- 24 ICT specialists: the ICT specialists are the hard- and middleware professionals who maintain and build technical ICT solutions. An important part of their role is trouble shooting.

In the tables below the quantitative information is grouped into categories which are relevant for the case study. The first table contains the data totals from the interviews. The responses to the interview questions are divided into positive, neutral and negative attitudes, and these are further divided according to whether the attitudes concern the company or the respondents themselves. The tables following present the data for each of the categories positive, neutral and negative to discover whether there is a correlation between the participants' personal data and their attitudes. Because there were no participants who were positive towards outsourcing involving the company, there is no table for this aspect. The tables present the information in the following order:

- Not mentioned: the participant did not acknowledge the subject of outsourcing in the interview;
- Neutral SVB: the percentage of participants who showed a neutral attitude towards outsourcing for the SVB as a company;
- Negative SVB: the percentage of participants who showed a negative attitude towards outsourcing for the SVB as a company;
- Positive oneself: the percentage of participants who showed a positive attitude towards outsourcing for themselves;
- Neutral oneself: the percentage of participants who showed a neutral attitude towards outsourcing for themselves;
- Negative oneself: the percentage of participants who showed a negative attitude towards outsourcing for themselves;
- Higher education: the percentage of professionals with a higher education;
- Higher ICT education: the percentage of ICT professionals with a higher education in ICT;
- ICT first choice: the percentage of professionals in the group for whom ICT was their first career choice;
- Passion: the percentage of ICT professionals who explicitly state that the ICT profession is their passion;
- Family: the percentage of participants with a family with children;
- SVB in-house: the percentage of participants who have a positive attitude towards the specific features of working in-house at the SVB, such as: primary, secondary labour agreements, home-work travel time, bond with colleagues, etcetera;
- SVB > 10yrs: the percentage of participants who have worked at the SVB longer than 10 years;
- Age categories: 20-35; 36-50; 51-65;
- Management communication: the percentage of participants who mentioned desired management behaviour such as communication, transparency and openness.

Table 1: Attitude towards outsourcing and demographic data for the whole group of participants

Feature	Percentage
Not mentioned	12
Positive SVB	0
Neutral SVB	6
Negative SVB	82
Positive oneself	3
Neutral oneself	15
Negative oneself	76
Higher education	33
Higher ICT education	9
ICT first choice	33
Passion	39
Family	73
SVB in-house	97
SVB > 10yrs	85
Age 20-35	15
Age 36-50	48
Age 51-65	36
Management: Communication	83

Table 2: Neutral attitude towards outsourcing involving the SVB

Neutral SVB, 6% of total	
Feature	Percentage
Higher education	50
Higher ICT education	0
ICT first choice	50
Passion	0
Family	100
SVB in-house	100
SVB > 10yrs	50
Age 20-35	0
Age 36-50	100
Age 51-65	0
Management Communication	69 (of 6% of 24)*

\* The question about the expectations concerning management behavior was only asked in the interviews with the reference group which consist of 24 interviewees. So the percentage does not concern the total group of interviewees, but 24.

*Table 3: Negative attitude towards outsourcing involving the SVB*

Negative SVB, 82% of total	
<b>Feature</b>	<b>Percentage</b>
Higher education	37
Higher ICT education	7
ICT first choice	26
Passion	48
Family	74
SVB in-house	100
SVB > 10yrs	89
Age 20-35	15
Age 36-50	41
Age 51-65	44
Management: Communication	76 (of 82% of 24)

*Table 4: Positive attitude towards outsourcing concerning oneself*

Positive oneself, 3% of total	
<b>Feature</b>	<b>Percentage</b>
Higher education	100
Higher ICT education	0
ICT first choice	0
Passion	0
Family	100
SVB in-house	100
SVB > 10yrs	0
Age 20-25	0
Age 36-50	100
Age 51-65	0
Management: Communication	0 (of 3% of 24)

*Table 5: Neutral attitude towards outsourcing concerning oneself*

Neutral oneself, 15% of total	
<b>Feature</b>	<b>Percentage</b>
Higher education	40
Higher ICT education	20
ICT first choice	80
Passion	20
Family	40
SVB in-house	100
SVB > 10yrs	60
Age 20-35	40
Age 36-50	40
Age 51-65	20
Management: Communication	100 (of 15% of 24)

*Table 6: Negative attitude towards outsourcing concerning oneself*

Negative oneself, 76% of total	
<b>Feature</b>	<b>Percentage</b>
Higher education	36
Higher ICT education	8
ICT first choice	36
Passion	44
Family	76
SVB in-house	100
SVB > 10yrs	92
Age 20-35	12
Age 36-50	48
Age 51-65	44
Management: Communication	82 (of 76% of 24)

## 4 SPM invitation and interview questions

This Appendix contains the invitation for the participants to attend the SPM workshop and the SPM reflection workshop, and the list of questions used in the interview sessions. These are the original documents, and are therefore in Dutch.

### 4.1 Invitation SPM workshop

*Uitnodiging Workshop (A Social Photo-Matrix):*

#### **‘Effecten van de ontwikkelingen in de ICT op de in-huis ICT-professional’**

##### **Context**

De wereld van de ICT is zeer dynamisch. Zowel de constante vernieuwingen in het vakgebied als de constante drive om ICT steeds efficiënter in te zetten in het bedrijfsproces leveren voor de gemiddelde ICT-professional een stressvolle situatie op, in de literatuur ook wel de ‘rat race’ genoemd. ICT-dienstverleners hebben hun gehele organisatie erop ingericht om in deze ‘rat race’ te overleven.

In-huis ICT-afdelingen worden in de meeste gevallen onder hetzelfde ‘regime’ bestuurd als de overige stafafdelingen in een organisatie. De continue druk ten aanzien van het inspelen op de (technologische) vernieuwingen en de efficiency druk (denk aan bezuinigingen, benchmarkingen, productiviteitsverbetertrajecten en outsourcing) leveren een stressvolle situatie op, waarin de ICT-professional optimaal moet zien te presteren. De praktijk laat zien dat dit moeilijk is, steeds meer in-huis ICT-afdelingen verdwijnen (grotendeels). Als hij of zij er al niet mee in aanraking is gekomen ziet de individuele ICT-medewerker dit overal om zich heen gebeuren, de vakpers staat er vol mee.

Dit levert een zeer interessant fenomeen op. Wat zijn ten aanzien van het bovenstaande de effecten op de belevingswereld van de in-huis ICT-professional, met name de technisch georiënteerde ICT-professional, omdat daar de druk het meest voelbaar is. Heeft het invloed op het werkgeluk, de loyaliteit, de productiviteit, de professionele opstelling, het gevoel van individuele vrijheid, het groepsgevoel, etc., etc.

In het kader hiervan doe ik een onderzoek. Ik kan natuurlijk naar de bekende weg vragen in diepte interviews. Ik krijg naar mijn mening dan ook de bekende

antwoorden. Ik ben echter op zoek naar wat jullie echt beweegt en daarvoor is het gebruik van een medium heel goed bruikbaar. Al jarenlang in gebruik in de antropologie is fotografie en het is een bewezen medium. Collier en Collier hebben fotografie intensief gebruikt in hun antropologisch onderzoek van groepen mensen. Zij zeggen hier onder andere over<sup>87</sup>:

“The images invited people to take the lead in inquiry, making full use of their expertise. Normally, interviews can become stilted when probing for explicit information, but the photographs invited open expression while maintaining concrete and explicit reference points. Of course, refined verbal interviewing can achieve the same flow, but the photographs accomplished this end spontaneously. While thoughtful structuring of verbal probes was needed to elicit needed information we found that the photographs dominated the interviews. This domination allowed us to ask quite precise questions without inhibiting the informants. Psychologically, the photographs on the table performed as a third party in the interview session. We were asking questions of the photographs and the informants became our assistants in discovering the answers to these questions in the realities of the photographs. We were exploring the photographs together.”

Samantha Warren begon fotografie te gebruiken in haar onderzoek vanwege de beperkingen van het houden van interviews, de mensen die zij interviewde wilden constant laten zien wat ze bedoelden en niet goed konden duiden.

“Even during the more formal interviews I was often invited to come and ‘see for myself’ because it was easier than explaining. It was at about this time that I decided to use photography as a research method – at this stage as a way of capturing ‘visual field-notes’ in a documentary sense about the material things that were of such importance (both positively and negatively) to the respondents.”<sup>88</sup>

Zij kwam ook op het idee om de camera aan de participanten te geven en hen zelf de foto's te laten maken vanwege het betere resultaat. “I wasn't concerned with trying to represent the department in any objective sense, rather to gain an insight into the subjective, aesthetically experienced understandings of the environment from the respondents' perspective. It was then when I hit upon the idea of handing the camera to the respondents themselves as a method of capturing this data. This proved to be wonderfully successful.”<sup>89</sup>

<sup>87</sup> Collier, John Jr. & Malcolm Collier. *Visual Anthropology: Photography as a Research Method*. USA, Albuquerque: University of New Mexico Press, 1986, 105-106.

<sup>88</sup> Warren, Samantha. ‘Show Me How it Feels to Work Here’: Using Photography to Research Organizational Aesthetics. *Ephemera* 2(3), 224-245 [online] [www.ephemeraweb.org](http://www.ephemeraweb.org), 231.

<sup>89</sup> Warren, Samantha. ‘Show Me How it Feels to Work Here’: Using Photography to Research Organizational Aesthetics. *Ephemera* 2(3), 224-245 [online] [www.ephemeraweb.org](http://www.ephemeraweb.org), 232.



### **The Social Photo Matrix**

De Social Photo Matrix is een experimentele methode voor het begrijpen van het onderbewuste in organisaties door gebruikmaking van foto's die door de leden van de organisatie zelf zijn gemaakt. Door associatie, versterking, systemisch denken en reflectie wordt de verborgen betekenis en diepere ervaring van wat vaak onopgemerkt blijft waargenomen en omgezet in gedachten en ideeën.

### **Workshop inhoud**

In deze workshop wordt de hierboven beschreven methodologie gebruikt in het kader van een onderzoek naar de effecten van de ontwikkelingen in de ICT op de in-huis ICT-professional. Alle deelnemers delen dezelfde organisatorische en omgevingsfactoren, dus reflectie hierop tijdens de workshop kan versterkend werken. Aangenomen dat foto's van de organisatorische en vakmatige omgeving en ervaring niet alleen maar 'subjectieve impressies' zijn, maar representaties hiervan in de geest van de fotograaf, en dus gerelateerd aan zijn belevingswereld in de breedste zin, levert deze workshop mogelijkheden om deze belevingswereld te schouwen en te begrijpen in het licht van een nieuw denkproces en nieuwe ideeën hierover.

In plaats van het aanwijzen of suggereren van specifieke objecten worden de participanten, binnen hieronder nader te bepalen kaders, vrij gelaten om digitale foto's te maken van wat hen bezig houdt. Deze foto's zullen het centrale 'medium' zijn voor het werk gedurende het evenement. Het doel van de workshop is om met en door de participanten te leren, door hun individuele en collectieve ervaring, over wat hen werkelijk bezig houdt en wat direct relevant is voor hun rol als mens en ICT-professional.

### **Opdracht**

De participanten worden vriendelijk verzocht om 6 digitale foto's te maken, in en rond de SVB, binnen het kader van wat zij relevant en representatief vinden voor de effecten van de ontwikkelingen in de ICT, zoals hierboven beschreven in de context, op hun belevingswereld als mens en professional in een in-huis ICT-organisatie.

De foto's kunnen worden verzonden naar [fbosman@hotmail.com](mailto:fbosman@hotmail.com), en [fbosman@svb.nl](mailto:fbosman@svb.nl) of, indien dat niet lukt, op een USB stick aan mij of Veronica worden gegeven.

### **Organisatie**

Facilitator: Frits Bosman, sectiemanager GOP/MTKA.

Secretaris: Veronica Amiabel, secretaresse SO.

**Over de bedenker**

Dr. Burkard Sievers, Dipl.-Soz. is Professor emeritus van Organizational Development in the Department of Economics and Management aan de University of Wuppertal in Duitsland, waar hij heeft lesgegeven en nog steeds schrijft over management en organisatie theorie vanuit een socioanalytisch perspectief.

**Literatuur**

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Warren, Samantha (2002) Show Me How it Feels to Work Here: Using Photography to Research Organizational Aesthetics. *Ephemer*, 2 (3): 224-245 [online] [www.ephemeraweb.org](http://www.ephemeraweb.org).

**4.2 Invitation SPM reflection workshop**

*Uitnodiging reflectie workshop (Social Photo-Matrix):*

## **‘Effecten van de ontwikkelingen in de ICT op de in-huis ICT-professional’**

**Nog even de Context**

De wereld van de ICT is zeer dynamisch. Zowel de constante vernieuwingen in het vakgebied als de constante drive om ICT steeds efficiënter in te zetten in het bedrijfsproces leveren voor de gemiddelde ICT-professional een stressvolle situatie op, in de literatuur ook wel de ‘rat race’ genoemd. ICT-dienstverleners hebben hun gehele organisatie erop ingericht om in deze ‘rat race’ te overleven.

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In het kader hiervan doe ik een onderzoek. Om erachter te komen wat werkelijk speelt, is gebruik gemaakt van een medium. We hebben hiervoor foto's gebruikt en deze in een Social Photo Matrix workshop met elkaar gedeeld.

### **The reflectie workshop Social Photo Matrix**

De Social Photo Matrix is een experimentele methode voor het begrijpen van het onderbewuste in organisaties door gebruikmaking van foto's die door de leden van de organisatie zelf zijn gemaakt. Door associatie, versterking, systemisch denken en reflectie wordt de verborgen betekenis en diepere ervaring van wat vaak onopgemerkt blijft waargenomen en omgezet in gedachten en ideeën.

### **Reflectie workshop inhoud**

In de reflectie workshop wordt met het materiaal uit de workshop SPM een verdiepingsslag bereikt. Al het materiaal wordt aan de participanten verstrekt. Deze kunnen zich hiermee voorbereiden op de reflectie workshop. Tijdens de reflectie workshop worden de foto's van de SPM workshop weer vertoond. Alle deelnemers delen hun impressies en gevoelens ten aanzien van het verstrekte materiaal, de reflectie hierop tijdens de workshop kan versterkend en verdiepend werken. Het doel van de reflectie sessie is om met de participanten verder te relateren en de gedachten en ideeën uit te breiden en te verdiepen in relatie tot hun persoonlijke ervaringen in het vakgebied en de organisatie.

### **Opdracht**

De participanten worden vriendelijk verzocht om het in de SPM geproduceerde materiaal goed te bestuderen en te plaatsen in de hierboven beschreven context.

### **Organisatie**

Facilitator: Frits Bosman, afdelingshoofd Exploitatie.

Secretaris: Veronica Amiabel, secretaresse ICT diensten.

## **4.3 List of interview questions**

### **Vragenlijst interview A01-9**

#### *Vraag 1*

Wat zijn je personalia (leeftijd/gezinssituatie/opleidingsniveau)?

#### *Vraag 2*

Wat is je werkgebied (SO-Cobol/SO-Java/SO-overige talen/Infrastructuur/e.d)?

#### *Vraag 3*

Wat is je persoonlijk gevoel bij het vakgebied? (prettige en onprettige gevoelens)

#### *Vraag 4*

Wat is je persoonlijk gevoel bij de in-huis situatie? (prettige en onprettige gevoelens)

#### *Vraag 5*

Welke ontwikkelingen (kansen/bedreigingen) zie je hierin?

#### *Vraag 6*

Wat is je persoonlijke gevoel ten aanzien van die ontwikkelingen?

#### *Vraag 7*

Waarom (achterliggende reden voor het beschreven gevoel)?

### **Additional question for the reference group**

#### *Vraag 8*

Wat verwacht je van het management?

## Frits Bosman

Amstelveen, The Netherlands



Frits Bosman was born in 1958 and lives in Amstelveen, the Netherlands, he is married and has two children. Frits graduated with a bachelor's degree in ICT and a master's degree in business administration, and has been an ICT manager for more than 25 years.

Frits entered ICT more than 30 years ago, starting out at the computer centre of the municipality of Amsterdam as a system developer in the broadest sense. In this position, he developed and maintained ICT systems for organizations such as the energy company and the social services organization of the municipality of Amsterdam.

From 1985 until 1992, Frits was an operational and tactical manager, focusing mainly on the automation of the financial systems applied in the municipality of Amsterdam, especially MSA, strategic international standard software, which was the standard for financial systems in the municipality of Amsterdam at that time.

From 1992 until 1996, he implemented manifold systems as a project manager, next to holding a position as line manager of the ICT organization of the mutual ICT systems concerning social security of the municipalities of Amsterdam and The Hague.

Frits moved to the Sociale Verzekeringsbank (SVB) in 1996 to work as an ICT manager in several positions. Between 1996 and 2008, he was responsible respectively for the system development of the mainframe child benefit systems and all the midrange systems of the SVB. Especially regarding the latter, Frits was very active in the innovation of ICT at the SVB, and was responsible for innovative developments such as a Java development platform and a standardized content management system for the SVB's internet environments. From 2005 until 2008, Frits simultaneously held two management positions, which were on the one hand focused on large scale maintenance in projects concerning the primary systems of the SVB, and on the other, concerned the development and maintenance of ICT methods, techniques, quality assurance and architecture.

For approximately the last four years, Frits has been manager of the technical ICT department of the SVB, responsible for the ICT infrastructure, helpdesk and operations. In this position, he has been responsible for several strategic developments such as revision of the office infrastructure and the development of a future infrastructure for the primary automation of the Sociale Verzekeringsbank.

Throughout his career, Frits has developed a special interest in the human condition and interhuman relationships in organizations, culminating in the research described in this book.

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# Outsourcing: Who's threatened?

A critical view of outsourcing as a strategic management instrument

## Frits Bosman

Contemporary organizations in the capitalist paradigm aim mainly for profit maximization and efficiency. This effort sees organizational processes being increasingly standardized and rationalized. There is a growing tendency to consider the workers as a means for reaching organizational objectives. This trend affects the organizational life of the worker who is aiming at self-fulfilment.

Outsourcing is a threatening phenomenon in organizations and the decision to outsource can be made by management at any time that this might be economically advantageous for the business. This makes outsourcing a harsh instrument and the culmination of organizational rationalism. It is therefore a phenomenon worth researching in the context of the effect of managerial instruments on the individual in contemporary organizations.

This book provides answers to the question of what the effects are of the constant threat of outsourcing on workers in contemporary organizations. These answers come from an analysis of the stories of the technical in-house ICT staff of the Sociale Verzekeringsbank. The Social Photo Matrix methodology is employed to unveil the mainly hidden information. The theoretical concept of 'repressive desublimation' as proposed by Herbert Marcuse is successfully applied in this research, leading to revealing conclusions.

Frits Bosman studied ICT and Business Administration and has been a manager for more than 25 years. His current position is manager of a technical ICT department at the Sociale Verzekeringsbank.

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