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Work Spaces in Two Small Firms: The Management of People Beyond Organizational Walls

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Biography

Simon Down began adult life as an entrepreneur in the music business. He subsequently studied industrial relations at Warwick Business School, and lectured at Plymouth University. He is currently working as a lecturer at the University of Woollongong, where his research interests include the social construction of entrepreneurship, small firms policy in the UK and Australia, and the management of entrepreneurial identity.

Scott Taylor has worked as a research student and assistant at the Manchester Metropolitan University since 1997. While there, he has completed his PhD thesis on the management of people in smaller organizations, which has formed the basis for a course delivered to owner-managers as part of a Department for Education and Employment project. He is currently working at the Open University Business School as a research fellow, where he is conducting research into Investors in People, corporate universities, and religion and spirituality in organizations.

Abstract

Recent work (Baldry, 1999) reminding work and organisational sociologists of the importance of spatial aspects of employee and organisational control may be bounding “the organisation” and the “organisational space” too closely. The homogeneity and unitarism of work space and organisation has been emphasised to the detriment of the plurality of places actually used in organisational and managerial processes. This paper presents empirical data from two ethnographic studies. The studies demonstrate that although the actual office or work place may be the primary spatial arena of workplace relations, other locales also serve as sites of organisational habitation and practice. The implications of such an analysis for the management of the employment relationship are explored.

Keywords: space, small firms, human resource management

Introduction: First and final frontiers

> You've gotta look at space pressures here.
>
> Owner-manager, Contractco.

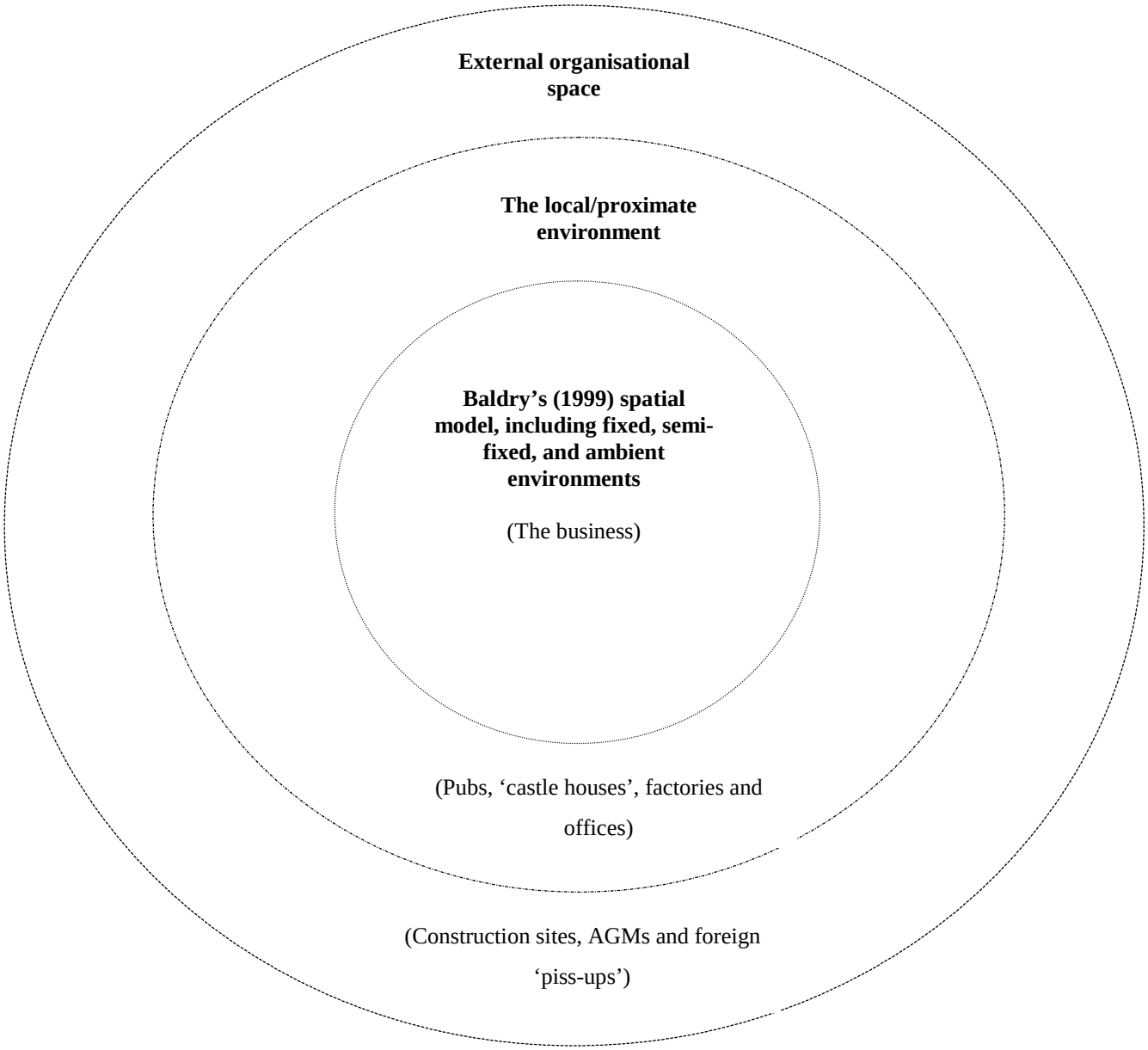
Perhaps the best way to introduce this paper and the contribution it seeks to make is to describe the audience reaction at an early presentation of the data. We suggested that much of the 'business of talk' (Boden, 1994) regarding strategy, staff development and weekly de-briefing within small firms took place in an *ad hoc* fashion, at weekly "piss-ups" in local pubs or at other locales outside company buildings. The audience concluded in the subsequent discussion that if this use of the pub as an organisational space is common practice in small firms, qualitative research limited to investigation on factory and office sites might be missing fundamental aspects of organisational practice.

Recognition of spatial diversity may serve to blur the often hermetic depictions of organisations in analyses of space. Thus, despite Baldry's (1999) useful reminder of the embeddedness of organisations in space, this paper seeks to extend his analysis by looking at wider spatial organisational environments and aspects of spatial habitation - what we call *the local or proximate physical environment*. The organisational contexts depicted in our paper suggest that different locales provide tangible, multi-faceted and negotiated social arenas for the organisation to exist. We propose that research into organisations needs to ensure that multiple spatial territories of work are considered. We further suggest that this is especially the case in small firms, where the particular dynamics and fluid boundaries found (Ram, 1994; Holliday, 1995; Anderson, Hughes and Sharrock, 1989) mean that work relations commonly overlap into familial, social and interpersonal spatial realms. However, even in larger and more separate and distinct larger organisations which arguably have more bounded workplace spatial territories, the influence of new technologies and the growth of "home-working" may erode spatial homogeneity and the equating of the organisation with a specific building.

Our purpose in this paper is therefore to highlight the spatial fluidity of small firm organisation. Through this, we argue that there is both a need to continually address

how we *do* research in small firms and how we *conceptualise* organisational locales. We propose that spatial analysis of organisation can also go beyond the building-office-internal environment triangle of Baldry (1999), to incorporate spaces of organisation and management nominally perceived as outside the workspace. This is illustrated in figure 1, shown on the next page.

Fig. 1 Organisational spatial diffusion in small firms



The changing spaces (and times) of management

Space has been humorously proposed as 'the final frontier' of organisational analysis (Baldry, 1999). However, the management of physical space in the workplace was also the first frontier that the organisation of labour engaged with. Historically informed studies of management indicate that the organisation of, in, and through space has been integral to the experiences of work and managing at least since the industrial revolution (Jacques, 1996; Burrell, 1997). If we accept that social analysis and theory needs to incorporate temporality *and* location (Giddens, 1979), then theories of management and organisation also need to be situated in time *and* space (Jacques, 1996). The analysis of the "active" spaces of the management of people and the employment relationship is the subject of this paper, rather the organisation of space in relation to work processes or the development of the capitalist mode of production. This "active" arena has most often been seen as the built environment, primarily the organisational building and its various internal spaces. It is to previous analyses of the built environment that this paper now turns, first examining functional readings of space, and subsequently symbolic interpretations of the organisation of the workspace.

Functional and symbolic analyses of space

Typical of the functional approach to managing space has been the literature on organisational design and development through improvement of the built environment (Becker, 1981; Pfeffer, 1982; Baldry, 1999). Underlying much of this literature is an academic partnership with business organisations over the design, construction, and maintenance of workspaces in the hope of complete efficiency and effectiveness (Becker, 1981), and employee productivity. The academic rubric under which many of the writings were located is environmental psychology, aiming 'to contribute to design in institutional settings… [through] expert knowledge about human organisation' (Parsons, 1972: 371). The goals, operations, and management policies are assessed, and the built space is designed and planned to support them (Brookes and Kaplan, 1972). This strand of research relies on recognition and analysis of the 'rich matrix of human-human-operations-environment' in an attempt 'to synthesise into a three-dimensional space design the rich multidimensional, multi-purposeful,

multimeaningful, operational, and social interactions that take place within office operations' (*ibid*.: 375). This leads to such studies as that investigating the optimum width of a corridor to enable small group interaction, and the many analyses of *Bürolandschaft*. In this field, an attempt is made to incorporate the "human factor" as a variable in the design and operation of organisational buildings, through the expertise of the analysts (Ronco, 1972; Brookes and Kaplan, 1972; Parsons, 1972).

However, as Baldry (1999) has noted, these 'functional environments of organisation' are neither defined by management nor passively accepted by the inhabitants, and provide a symbolic arena for the negotiation of power relations. The spaces of work are highly contested, often being personalised to reflect the personality of the individual or collective (*ibid*.; Collinson, 1992). Thus, the workplace is physically and *socially* bounded by its space (Turner, 1971), a key point to which our data analysis will return in more detail. In symbolic analysis the focus is more on the management of the person, and the multiple social contexts within which employees and managers operate in the workspace. Thus, hierarchy and authority can also be constructed through the organisation of space, with the workspace a visible indicator of the status and relative power of organisational members (Henley, 1977; Hatch, 1990; Baldry, 1999). The "locale"[1] (Giddens, 1979) is recognised in symbolic analyses as one of the aspects of the labour process which aptly constitutes the 'contested terrain' of the work experience (Edwards, 1979). Managerial techniques to define the nature of the power relations over the *entire* locale of work, can be perceived in accounts of the organisation of parking areas, eating areas, smoking areas, and even toilet areas (Collinson, 1992; Pollert, 1981; Palm, 1977; Beynon, 1973; Linstead, 1985).

The notion that *taking up space* physically is also a sign of power and control, enforcing and reinforcing power relations and status within the organisational space, is an omission of importance in functional analyses of workspace (Yanow, 1995; Collinson, 1998). Furthermore, the space taken up by the fabric of the buildings themselves can be indicative of power relations between institutions and individuals. In order to approach an understanding of 'how buildings mean' symbolically, we can see the spaces of the organisation as textually constructed through the stories and understandings of those affected (Yanow, 1998).

Symbolic analysis of space therefore recognises that the organisation does not have a single identity; rather it can be conceived of as a web of institutionalised beliefs, which are in a state of flux, constantly forming and re-forming (Tsoukas, 1994). The organisation is thus better seen as a system of relations. In our cases presented below the businesses exist within specific legal and administrative boundaries. However, these boundaries are at least partly the product of the social action which takes place within and between the firms and the rest of their social environment. Similarly, the spaces which the people in the firms inhabit are not confined to a single site or building but in a multiplicity of diverse locales, each with differing webs of institutional beliefs. Thus, for example, from different perspectives one of the small firms studied might be described as the business empire and "regal" domain of its owner-managers, a convenient stepping-stone for its employees, just another small firm in the local town, or a minor specialist contractor on a large construction site. The research presented here seeks to demonstrate that there is a need to broaden our perception of what constitutes the spatial territories that organisations use, and the interplay between them.

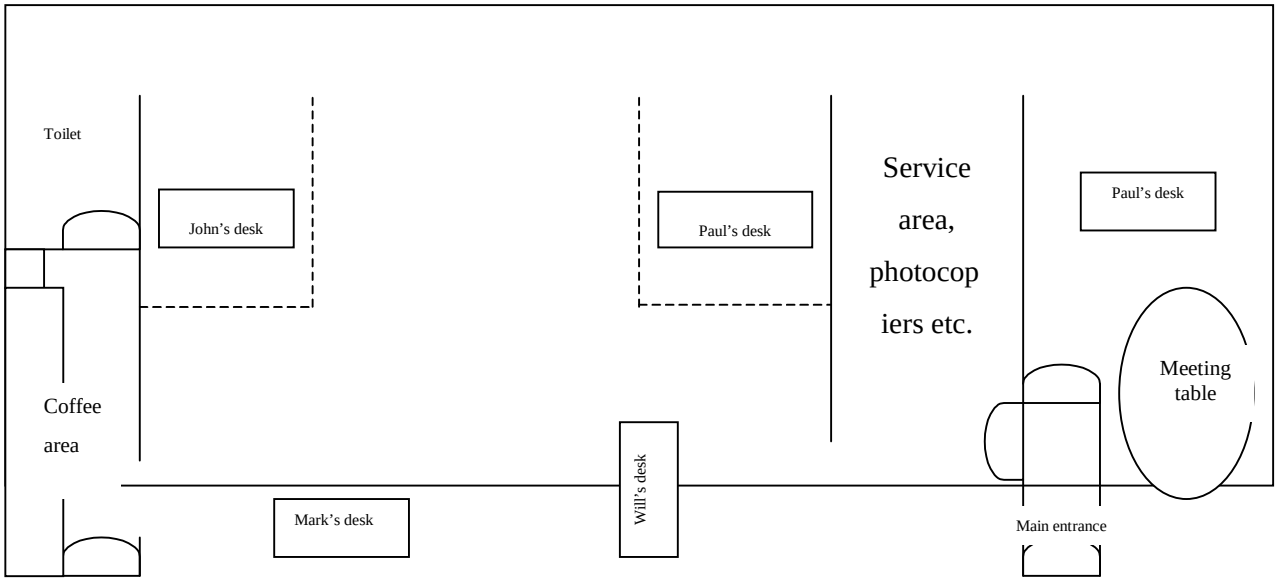
In the broader functionalist tradition of sociological analysis, time and space were treated as separate elements of, or frameworks for, the analysis of the social interaction through which we experience the world and each other (Giddens, 1979; 1991). Many have argued that time has been privileged over space in social theory and analysis (Burrell, 1992; Harvey, 1989); others see conceptualisations of both as underdeveloped themes, and argue that 'neither time nor space have been incorporated into the centre of social theory' (Giddens, 1979: 202). In the attempt to generate "timeless" analyses of social interaction, and avoid geographical determinism, functionalist theory arguably lost contact with dynamic temporal and locational aspects of interaction (*ibid*.). This paper does not seek, or presume, to contribute to a reintegration of space and time into social theory. However it does attempt to go beyond treating spatial locations as variables. Foucault noted that 'space [has been] treated as the dead, the fixed, the undialectical, the immobile' (1980: 70). Even in the body of work which takes Foucauldian perspectives on management and organisation (Knights and McCabe, 1998; Knights and McCabe, 1999; Collinson, Knights and Collinson, 1990; Knights and Willmott, 1989; Brewis, 1999), the actual workspace is

often neglected (Noble and Lupton, 1998). When it has been recognised as a means of analysis of the employment relationship, we would suggest that it has been conceptualised too rigidly as either a functional location for organization, or a symbolic one for the control/resistance dialectic to take place (as in Baldry, 1999). In seeking to extend analysis of the locales of work, this paper approaches the workspace as something broader than the building with the organisational nameplate on the front, and something broader than a terrain for contestation of power relations. To achieve this, we use data to suggest that we can find the organisation in pubs and domestic residences. In short, we propose that, in the small firms which we studied, the organisation followed the people through the many and varied locales in which they worked and played. Key to this is the way in which the research was conducted.

Researching and developing spaces

Fenderco is a small joint venture firm which supplies fenders for docks and harbours. The other partner firms are based in Germany and Australia. The company is responsible for designing and selling fendering equipment. There are two owner-managers and six employees in the British company. The manufacturing and installation is carried out at a distance by the other joint venture partners and outside contractors. Fenderco's offices are located in a small market town in "middle" England and the company was formed in the early 1990s. The office building is old and had been refurbished into an office unit with a large open plan area, toilet and service areas, lobby and meeting room. The office was re-refurbished to a higher standard during the period of research. The Fenderco office layout is as seen in figure 2 on the next page.

Figure 2. Fenderco office layout



This research project initially centred upon a study of owner-manager learning (Down, 1999). The study involved "punctuated" ethnographic research enabled by a long-standing relationship with one of the owner-managers and took place over a period of three years. Observations and interviews were carried out in a variety of organisational spaces, as described later in the paper.

Contractco is an husband-and-wife owner-managed recruitment agency in the north of England founded in the early 1980s. The company is housed in one building which is "around the corner" from the family home and employs between forty-five and fifty people. The organisational building is formed from two adjacent converted Victorian houses of five floors and is densely packed with offices, reception rooms and service equipment areas. The company has grown from one man and a telephone in a single room; lack of space was acknowledged by all as a problem. In a slightly surreal comment, one employee said that 'The [...] trouble with our office is that it's a corridor'. Each of the six departments has an open-plan office space housing between four and ten people. The only single-occupancy office was that of the male owner-manager. The building formed a key part of the narratives of the history of the organisation; they had moved from renting one room in one half of the building, to owning the entire structure outright. The interiors of the building had undergone extensive refurbishment and expanded into previously

dormant areas such as the “attic” and basement, renovated just before the period of the research. The building was equipped with a tannoy system. The research, undertaken in 1999, forms part of a larger project concerned with human resource issues in small firms (Taylor, 2000). Given the extensiveness and complexity of Contractco’s building, it is not practical to reproduce a plan here.

One of the potential problems of the research data presented here is in maintaining the integrity of the spaces which the researcher himself (both of us are male) occupies as a result of the research. In this, we confront the space between research method and epistemology, which requires at least a recognition of research procedures, the status of the interpretation presented, the political and ideological bases of the research, and the claimed authority of the representation (Alvesson and Sköldberg, 2000). This is a project in itself; perhaps the best we can do here is to approach an ideal of ‘reflexive interpretation’ (*ibid*.), seeing the data collection and interpretation process as ‘insight gathering’ (Czarniawska-Joerges, 1992) rather than problem solving. In this, we see the data we present as enabling and supporting our interpretations, and seek to achieve a break with everyday knowledge; however, the paper is presented as a ‘provisional rationality’ (Alvesson and Sköldberg, 2000) in the analysis of the locales of organisation. Similarly, the combining of data from two separate research projects is intended to add to these ‘insights’, in much the same way as our use of other similar ethnographic/qualitative research into small firms discussed alongside the interpretations of our data.

Data Analysis and Discussion

In this paper, we seek to organise the analysis by way of extending Baldry’s model (1999). In addition to his largely internal spatial concerns, we extend the organisational vista by considering “proximal” or diffused organisational spaces, the geographically “local” environment. By local we mean spaces that are commonly used by organisational personnel in work and at other times, which are geographically close but not part of the work building.[2] The discussion includes consideration of previous ethnographic work on small firms to illustrate that our theme is not especially particular to our cases.

Unseen spaces: spatial aspects of small firms

Organisational research which takes the employment relationship as a starting point has considered "proximal" or diffused organisational space as a means of analysis, but often obliquely.[3] Some studies into smaller organisations have explored the spatial locations of organisational activities beyond the buildings; however, they have emphasised the societal and structural aspects of organisational locale and location.

In Moule's (1998) study of the labour process in a small firm spatial issues are abundant, if not directly acknowledged. The organisation extended its spatial scope to encompass the use of space both as a means of employees escaping from procedural controls within the building (time and smoking related fiddles), and as a broader expansion of the social relations in the firm (daily use of the pub by management and workers). A similar picture of spatial diffusion is found in Hobbs (1988). One of Hobbs' entrepreneurs operates in a semi-legitimate and extremely fluid role as a "business agent", in which 'the pub is Chester's place of business. He operates only from the pub; it is his office…. Chester has no capital, *no premises*, no employees and no business… Chester provides a service, and that service relates to the pool of goods and services available within the culture' (*ibid*., 163-4, emphasis added). Although we could question whether Chester is actually 'doing the business' in an organisation at all, this case nevertheless contributes to a broader understanding of the spatial terrain of business.

Rainnie suggests that when looking at the small business labour process and division of labour, one must look 'beyond the confines of the four walls of any particular workplace' and look at capitalist production as a whole (1989: 87). Thus, social relations between work, state and home become incorporated into the total production system. This acknowledges the pressure that the capitalist system exerts upon smaller firms and industrial relations. Rainnie's gaze falls most on female workers, where work and home pressures are forcibly separated in respect of women workers in small firms; employees are told to leave their home problems 'at the factory door' (*ibid*.: 119; cf. Collinson and Collinson, 1997). The inevitable interaction between familial and work spaces is denied by management. However, in other establishments there are also "freedoms" to working in small firms (Ram, 1994: 160). There can be a high degree of flexibility in relation to work times and home, children and school commitments. Similarly, in respect to the way in which production is organised, the whims of the operative seemed to have some say over the layout of the shopfloor, as much as the dictates of efficiency. Thus, the design of the

production area may be ‘governed by accommodation’ (Holliday, 1995: 53), both personal and productive.

The apparent contradiction between the findings above reflect the wide variety of “types” of small firms. Drawing upon a wealth of previous industrial relations research into smaller organisations Ram (1994) proposes a framework for understanding the different approaches of small firms to industrial relations and management control: this includes the autocratic, the fraternalist, the paternalist, negotiated paternalism, and the bureaucratic approach. In the context of the two case studies presented here, Fenderco can be described as combining fraternalistic and negotiated paternalism forms of control. Thus, there was a perception by employees and employers of working together as “equals”, but there was also an element of informally negotiated mutual obligation and ‘non-economic reciprocity’, dominated by the owner-managers. Contractco in contrast might be described as an example of a firm in transition from negotiated paternalism to bureaucratic forms of control, in that the familial and affective base of negotiated paternalism was becoming circumscribed by the growth of the firm and consequent introduction of proceduralism and bureaucracy (Ram, 1994; Goss, 1991).

Internal spaces: Eyes, ears, and “goldfish bowl” offices

> ‘the best instruction’ wrote a German handbook of 1868, ‘is by word of mouth. Let it be given by the entrepreneur himself, all seeing, omnipresent and ever available, whose personal orders are reinforced by the personal example which his employees have constantly before their eyes’.
>
> (Hobsbawm, 1975: 216, quoted in Burrell, 1997: 239)

In Fenderco the work of the two owner-managers is supported by a secretary/book-keeper, a designer (who works part-time and from home), and two full-time, office-based, assistants who deal with “bread and butter” jobs, job monitoring, ordering of supplies and any other minor business enquiries. The office assistants, Mark and Will, are both in their mid-twenties. The relationship between the two owner-managers and their assistants represents the core social unit of the office environment. The other people who work for the firm rarely attend the Friday night pub sessions, which are an important aspect in defining social relations within the firm.

One of the key issues at Fenderco relates to the office layout and its refurbishment. Having the general feel of converted sheds or stables, the set-up was at best adequate. Paul and John, the two owner-managers, were keen to develop the space so that each of them had an enclosed space. Until the refurbishment only Paul had a separate office which doubled as a meeting room. The new offices were formed through placing glass partitions in the main office. These transformed spaces became known as “the goldfish bowls”. The layout of the office was invested with practical and symbolic meaning by Mark and Will. Mark explained that the office atmosphere was tense most of the time because John was ‘a bit of a control freak’ and liked to be in earshot and sight of everything. This John confirmed: he said that he didn’t trust the others and often passed notes to Will or Mark while they were on the phone. John justified this in terms of increasing the feeling of working as a team. Mark further commented that John’s behaviour

> has its benefits and sometimes he will hear something, pass a note or something, and come and help you out of something you may have dropped yourself in. But on the other hand I feel he would be better to let people get on with it.

The ‘tense, claustrophobic’ atmosphere occasionally flared up in the form of the owner-managers ‘snapping’ at the staff. The size and openness of the office space meant that everyone heard any altercation, which often set the trend for the day. Mark noted that ‘you have to steer clear of John or Paul when they are in a bad mood’. This illustrates the power differentials of the organisational space (Baldry, 1999): it is the assistants who need to steer clear, whilst the managers can move freely in the office space. Altercations and public ‘bollockings’ are a common feature of life in the office and Mark looked forward to discussing differences in the owner-manager’s new office rather than having a public ‘slanging match’.

Contractco is organised hierarchically with each department having a supervisor who reports directly to one of the owner-managers. In Contractco the internally related issues centre around the constraint that business growth had placed on physical space in the company buildings. As one of the supervisors noted, ‘we can’t employ anybody else unless we hang them off the ceiling’. The physical and economic growth was also related to a general perception of a decline in the “family” nature of the enterprise. Staff noted:

> [the firm] was more [of a] family, whereas now you can go all day and not see somebody… you’ve got to move on, and it’s nice to move on, but the comfort [of

> working with fewer people has gone] (Personnel officer and accounts supervisor).
>
> We went from two floors into two buildings [and] communication fell apart... we'd got to a certain size where we lost a lot of the small family type feeling... it was an us and them situation, and everyone thought that the people upstairs swanned around all day didn't do anything, everyone thought the people downstairs dealt with the dregs off the street. (Owner-manager).
>
> It's more of a family feeling. That's the benefit of working in a small company, isn't it? We have social events, management door is always open – you can knock on it at any time. (Employee).

In these comments about space and historical time, there is importance placed upon being able to *see* each other. Unlike in Fenderco where the emphasis was on the conflict this caused, in Contractco physical proximity seems to function as a signifier of togetherness. Moreover, this sense of family is specifically articulated through a nostalgic regard to the common ideology about working in smaller firms as 'happy families' (Rainnie, 1989; Holliday and Letherby, 1993). That the emergence of 'an us and them situation' was related to the expansion of spatial occupation is suggestive of the formalisation of industrial relations and the likely tendency for a shift from negotiated paternalism to rational/bureaucratic forms of organisation as firms size increases (Ram, 1994).

One of the owner-managers at Contractco even identified the growth of the firm with the expansion of the physical occupation and ownership of the original and adjacent buildings:

> I started the business in the top floor of my house. We took on additional space as it became available within this building, and we grew the business quite well… the next big step was linked to the opportunity to buy this building… One of the reasons we grew quite quickly, is when we took on this other space, [but] I think now we're getting to a point where we're getting a bit tight for space, I don't necessarily wanna, I don't have anything in mind in terms of growth, necessarily, at the minute, I'd just like a bit of stability.

This implies that the growth of the firm is partially driven by the occupation and acquisition of space, as well as growth necessitating the expansion of the organisational space.

Unsurprisingly, given the close proximity of employees and supervisors in Contractco, similar space-related relationship or control issues to Fenderco were reported. Supervisors talked of being able to visibly check and monitor employee's work; employees were constantly aware of supervisors and managers watching and listening as they worked.

However, the use of space to facilitate control and reinforce status differentials has been recognised in studies of both large and small firms previously. We now turn to the analysis of the external spaces and locales of Fenderco and Contractco, which we propose as an area which has thus far been neglected in organisational analysis.

Local spaces: pubs and "castle houses"

Our conceptualisation of the "local" spaces that smaller firms seem to be using is predominantly concerned with two locales: domestic residences and pubs. At Contractco the use of residential spaces in the normal course of business activities is restricted to the historical development of the business from its initial beginnings in the home of the owner-managers. Although we do not wish to formulate a hypothesis about the number of employees and the use of domestic space as an organisational locale, it may be that the difference in number of employees between Contractco and Fenderco relates to the use of homespace for business-related activities. Notwithstanding, at Fenderco the "castle house" forms a key locale for the company. Analysis of the role of the pub in organisational activity relates to data from both companies.

The "castle house"

One of Fenderco's owner-managers, Paul, combines social and work relationships and activities in his own home. One of the assistants, commenting on how working at Fenderco differ from his previous experiences in large public sector organisations, said that 'we're always invited out to things and parties, we all go out at the weekend… all the time we're sort of just a group of friends'. These friendships extend to dinner parties at Paul's "castle house".[4] At one of these weekend parties Mark, an office assistant (who is also the brother of the owner-manager's sister-in-law[5]) and Paul told stories about the wife of the other owner-manager. The stories involved derogatory comments about John's wife (neither he nor his wife were present) in regard to the "excessive" control that John exerted over the family "purse strings". What is striking about this succession of stories is the candour displayed by Mark and Paul, despite their employee/employer relationship. The relationship exhibited a complexity beyond functionality, possibly indicating an interaction at some level between spatial freedom (i.e. being able to speak more freely outside the constraints of the office) and verbal freedom. This use of extra-organisational

spaces to serve as relatively safe locales is discussed later in this section in relation to similar and more extreme behaviour observed in the pub.

Friendship and work relations overlapped when the other office assistant Will would stop over at Paul's house rather than drive home drunk. This seemed to happen on an *ad hoc* basis. Friday night is the regular work "piss-up", but this doesn't preclude drinking on other nights. Occasionally Will would go for a 'quick pint, and if the mood is right a quick pint turns into six or seven quick pints'. Will explained that there was an understanding that there he always had a bed for the night at the "castle house" as long as he didn't intrude:

> He'll [Paul] say 'Will, you come into the house, there's the bed, you go to sleep, something to eat and then work again'. That's all I ever did. You know, got straight into the house, went to bed, 8 o'clock in the morning, got Paul banging on the door, time to go to work today.

Towards the end of the research period Will began to stay over with the other assistant, Mark (who had recently purchased a house near the office). There were, therefore, some social barriers and preferences to the use of the owner-manager's private space, with the employees ultimately preferring to stay out of it.

A more topical example of how "modern" work interacts with local spaces is when the close proximity of the domestic space is used to facilitate better integrated work/home life. Mark's newly purchased house was only a few hundred metres from the office and he generally went home for lunch. Occasionally he would work from home. Whilst there he receives calls from work. One of the interviews with Mark was conducted at his home (a product of pressure on private space at the office) and there were two or three interruptions from work.[6] In regard to his being contacted at home, on one hand he felt that,

> on the outside level it can be a bit annoying.... but on the other hand its nice to know that you carry the sort of responsibility that somebody needs to contact you to find out what is going on.

This sense of being needed was a common theme from both assistants, who compared this aspect of their job favourably in comparison with their previous work experience at larger firms. This suggests a preference for affective and fraternal forms of management control.

The Pub

Pubs and drinking alcohol are, in the UK, 'an important component in social festivities, sexual encounters, friendships, and business deals' (Hunt and Satterlee, 1986: 70). Three of these dynamics are evident at Fenderco and Contractco. However, the pub as 'a socially open area where individuals from different social backgrounds and of varying ages met freely and forgot their differences' (*ibid*.: 65-6) is something entirely different from experiences of the pub as an extension of the organisational space. Forgetting differences, whether social or organisational, is not possible for the managers and employees, although behaviour is perceived to be more equal, on the surface at least.

Fenderco keeps a "tab" (line of credit) at the local pub; Paul in particular spends a lot of time in the pub. A manager at Contractco was said to have a "second office" in the pub across the road. This habitation of pubs is not unusual among entrepreneurs (Burns and Dewhurst, 1989). The social dynamics of the pub in the business of Fenderco were many and varied (Down and Sadler-Smith, 2000). Here we wish to concentrate on the *managerial use* of the pub, particularly at Fenderco, in for example, end of week debriefs and catching-up, staff control and discipline ('bollockings'), career development, strategic planning (empire building), and the role of ritualised verbal resistance, or "letting off steam".

<u>Debriefing/catching up</u>

The owner-managers at Fenderco travel frequently, so the meeting in the pub on a Friday after work is often a convenient way to catch up with the week's events, and with developments in the office. Though everyone keeps in contact via mobile phones there is a perceived need to talk various situations over. Even if both owner-managers have been in the office most of the week, there is a debrief and discussion of business at a more general level. This role of the pub is not universally appreciated. One of the assistants, though appreciating the pub as a locale for an 'unwinding session', also felt that

> You get a lot of work talk, shop talk, and you do get times when you think I've heard all this shit for the past 50 hours this week… let's talk about shagging birds… let's talk about my new car or my motor bike or something else, or let's talk about the price of butter. And then you try and make a bloody conversation, and that leads you to the arguments, you know its not worth it at the end of the day. So Mark [the other assistant] and I tend to talk about bikes, booze...

The desired fraternal, "family" and "harmonious" nature of the employee/manager relationships are belied by the way in which arguments arise as a result of straying away from the necessary but boring (in the assistant's eyes) 'shop talk'. This suggests that there is a hierarchical dynamic to the pub evening whereby important business discussions take priority over more general socialising, which demonstrates the limits of fraternalistic management control and is suggestive of a more paternalistic manager/employee relationship. Indeed the research observations in the pub often began only after 8pm; there was a tacit understanding that the owner-managers need to talk and that a researcher was not always welcome, although these de-briefs were observed..

Strategic planning

This relational dynamic at the pub is made clearer when considering the use of the pub environment for "strategic planning" by the owner-managers of Fenderco. One of the owner-managers commented in regard to meeting with the other owner-manager that 'we don't spend a lot of time socialising together… you would just get on each others tits… we tend to socialise but it means going up the pub talking work most of the time'. He added:

> we maybe go down the pub rather too much but really that's really just to catch up because he is busy during the day and I am busy during the day. How do you get the chance to share ideas and talk about strategy and so on, it's best to do it outside the office.

In many respects John and Paul live in each other's pockets: both they and their "real" wives talked of being "married" to each other. However, they did not often socialise together beyond business talk; John very seldom stayed in the pub after the earlier "business" talk was completed (or before he had drunk "too much" to drive).

Staff control, discipline/'bollockings', career development.

One of the owner-managers at Fenderco considers himself reasonably sympathetic to HR issues and conducts a yearly performance review interview in relation to pay discussions, on an individual basis. Despite this nascent proceduralisation of a people management issue, many of the "career development" and personnel techniques are *ad hoc* in nature and location.

Given the degree to which all of the core work group were busy at the office, and the

extent to which they engaged in ‘slanging matches’, it is perhaps not surprising that staff control is extended into the pub. On one occasion Mark apparently made a mistake (it subsequently emerged that the mistake was not his) and Paul lost his temper at the office. Later Mark, who maintained he was not responsible for the mistake, received the softer part of the ‘bollocking’ at the pub. Paul later explained that he was keen to show Mark that work was his responsibility, ‘to make him sweat and learn’. The ostensibly social environment of the pub was used by the owner-manager as a site of management control. In a sense there is no escape for the assistant, and the convivial nature of the pub environment, which acts as an emblem of the work group’s fraternity, means that the assistant must act “reasonably”.

The other assistant initially misconstrued this freedom of the post-work pub environment. Will noted that after an initial period of being ‘in the shadows’ at the pub immediately after being taken on:

> I would get really plastered and make a complete twat of myself. It got to the point where Paul said, ‘Look Will I think you better just keep to yourself, because we’ve got customers here…. on that occasion you may have pushed it a bit too far and we don’t want to see it any more’. And from that conversation, right, its been agreed all round, between myself and John and Paul [the owner-managers], that I have really calmed down, me and Paul still have the occasional *discussion*, not argument anymore, its talking, its discussing.

In this, Will may be seen as taking time to learn the application of the rules of organisational interaction in an unfamiliar setting, his actions initially following the rules of the social setting rather than the organisational (Bittner, 1965). However, his actions, after being reminded of the power relations which transferred from the organisation to the pub, were amended to acknowledge the pub as a business organisational setting (Hassard, 1990). Similarly, customers are occasionally entertained in the pub, and behaviour is normally circumscribed on those occasions. Again, the blurring of the pub as work space and social space is evident here through behaviour.

<u>Ritualised verbal resistance: letting off steam</u>

The behaviour in the pub often gets quite rowdy, as the drink flows facilitated by credit. There are bouts of “mock” verbal abuse. On one typical occasion one of the assistants, in response to an owner-manager “mock” demand for compliance, put two fingers up and said ‘Up yours, its not work now, you tosser’. Paul, the owner-manager then “play-acted”

the role of the manager and said, ‘Right, you’re fired’. The assistant explained later in an interview: ‘You have a few beers, you’re really excited, it’s the weekend, and you just don’t give a shit what you say, really’. Both assistant and owner-manager[7] were happy to indulge each other in a parody of the manager/subordinate roles. “Steam” was being let off over the later beers in the pub, yet the organisational hierarchies were always present. Ritualised verbal resistance (Moule, 1998) may act as a social “pressure valve” in equalising unequal work relations.

This type of “letting off steam” occasionally results in some extreme behaviour. The quantity of alcohol influences the heat of the discussion. One Friday, an argument developed around an assistant composing a written resignation on a piece of paper in the pub, following a disagreement earlier in the evening; the owner-manager decided that he was going to keep it until Monday in a display of “mock” management power. The assistant then attempted to retrieve the paper from Paul’s back pocket as he was leaving:

> I went for his back pocket, unbeknownst to him, and he just turned round and grabbed me; I insisted on going back[wards] and we were going back[wards] and eventually I just fell on the floor.

The assistant, as well as suffering a badly bruised shoulder, feared a written warning on the Monday morning (‘here comes Mr. Big Bollocking time’); instead, after a couple of anxious days, he received an apology from the owner-manager. The owner-manager explained that he had become over-sensitised to pick-pockets through living in Malaysia and he was sorry that he had reacted in this way. Nothing more was said (except by way of jokes) about the event.

However, there is evidently a lot of enjoyment in the pub for the assistants, in addition to the well-recognised career advantages of being “one of the lads” in the pub for male members of staff. Will in particular relishes getting close to the edge in relation to what was “allowed” by the owner-managers. Both assistants admire the owner-managers; this admiration of certain behaviours (as well as recognition of certain “negative” ones) may form part of the construction of their own career/professional identity, just as the previous generation of managers provided Paul and John with negative and positive examples to draw on in their own development (Down and Sadler-Smith, 2000). The owner-managers are perhaps less involved in “genuine” relationships, and mentioned managerialist reasons for their behaviour toward the assistants. However, separating “genuine” social from

managerial behaviour may be as fruitless as attempting to separate the spaces and draw the boundaries of the organisation. The wives and girlfriends of the owner-managers and assistants often socialise with the "core" work group after the initial immediate post work debrief at the pub. Will said:

> It [the company] takes up a lot of my time. But you see I enjoy the office, I enjoy being there… I enjoy everything about this job. [She] doesn't enjoy it so much because I'm not at home and she's at home on her own. I'll take work home and I'll sit up for a couple of hours at night, perhaps 4 or 5 hours a night doing the quotes, preparing quotes, doing things, doing this, she wants to go out one night and if I don't, because I'm so knackered on a Friday night, and that winds her up.

The construction of masculinity through entrepreneurial activity and the abdication of responsibility for the home life (Mulholland, 1996) is here taking place in both the organisational and domestic locales. The organisation is moving smoothly from office to pub to home, and the dominant discourses are following.

In Contractco the use of the pub across the road from the organisational building is a less prominent feature of the organisation. It was used by some of the staff, predominantly males, for post-work socialising, including the male owner-manager, who was seen as 'down to earth' and 'one of us' by one employee in the light of his participation. The relationships between managers and workers can be strengthened by 'daily visits to the pub at lunch time and occasional socialising in the evenings' (Moule, 1998: 640-1). Here the degree to which employees could "let off steam" and talk as "equals" depended on the particular manager present. One employee noted:

> Most managers will take you out [to the pub], but still be very stand-offish, but Luke [the owner-manager] is still one of the lads, you know. [His wife is] the same. You can basically say what you want, within reason – some people will get offended, you know, I'm the boss and you're the worker, [but not Luke and his wife].

Another employee who lived locally explained that, in his view, a manager who socialised with subordinates in the local pub was 'a bit too friendly', because 'the following day you're giving them a bollocking in the boardroom'. In this, the attempted separation of disciplinary and social space is clear. The employee however felt that 'people are clever enough to realise that you've got a role to deal with in work, and at times you're gonna do things that you have to'. This articulation of the roles that people play recalls Goffman (1959/1990); however, the ill defined nature of the social and the organisational, the

workspace and social space, and the control of work and social behaviour, all indicate that drawing boundaries is problematic.

Concluding discussion

In this paper, we hope to have outlined and developed arguments as to the nature and diversity of organisational locales in accomplishing the management of two small firms. While we do not wish to propose specific hypotheses or attempt to draw causal relationships between variables, some speculation on the dynamics of space and locale may be useful.

Our first conclusion concerns the benefits of the ethnographic method used in this research. We were both struck by the truncated picture that would have emerged from the research sites if we had adopted site-restricted methods, or methods which did not involve attempting to understand the perceptions of everyday life in the organizations. Researchers might therefore wish to consider more closely the various spatial and temporal aspects of their research designs, if they want to capture a fuller picture of the social and organisational dynamics of smaller organisations.

Second, we hope that we have shown that dynamics of managing and working in smaller spaces has not been extensively dealt with in organisational analysis, beyond functional and symbolic analyses of the office and building design. Further, the analysis presented in this paper has sought to acknowledge the multi-layered nature of experiences of the internal organisational locale and to extend analysis to the other locales of organisation found at Fenderco and Contractco.

Third, the data seems to demonstrate that the very limitations placed on small organisations through the occupation of crowded office and production spaces may encourage managers to “expand” the organisation into other locales to achieve indirectly productive tasks such as career development. Observation of Fenderco and Contractco indicates that the organisations spilled over into the domestic and social locales, and especially the pub. The use of the domestic locale at Fenderco may be a means by which the owner-managers can create a familial ideology (Ram and Holliday, 1993), an

important feature in the negotiated paternalism management control system (Ram, 1994). Moreover, the maintenance of this ideology through telling ‘terse stories’ of ‘the way we were’ (Boje, 1991) at Contractco indicates the “loss” involved in numerical growth and physical expansion. At Fenderco, the pub was a key locale for the conduct of business; at Contractco, it provided more of a contrast to the company locale through nominal separation into social and work spaces. The extension of the work procedures at Fenderco into the pub may reflect time as well as space limitations, indicating a lack of temporal, procedural space during “worktime”.

Fourth, this paper has further sought to present an analysis of space which recognises the control/resistance dialectic of the employment relationship, while proposing that the interaction and relations with colleagues can provide an affective arena of social relations. In this, the domestic, personal and work locales, and the transfer of interaction from one setting to another become fluid. That the organisational hierarchy and the inherently imbalanced power relations of the employment relationship are present in every interaction is not in doubt. However, reaching a ‘working consensus’ as to the rules of interaction (Goffman, 1959/1990) is made more complex by the changes in locale.

And, finally, through our proposed extension of Baldry’s (1999) three dimensions of organisational space to include a fourth (the local or proximate physical environment), management techniques can be seen to be affected by the physical surroundings of the locality and sites further afield, as much as by the “internal” space of the workplace. Thus, the many locales formed an integral part of the (often *ad hoc*) design and implementation of management systems. Furthermore, we found that the built space of Fenderco and (particularly) Contractco told stories of (Yanow, 1995, 1998) both the history and future of the organisations.

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Notes

[1] This term is used in preference to "space" or "place" to emphasise that the physical environment is not viewed deterministically, but as a setting 'mobilised as part of the [social] interaction' (Giddens, 1979: 206-7).

[2] There are further "external" spaces which could be included in our discussion. These are specifically work-related spaces which exist outside of the local environment (an example for Fenderco would be a construction site). Significant data, however, exists in only one of the cases presented here, and for this reason - as well as lack of space (!) - discussion of this aspect of organisational locale is not explored.

[3] See, for example, the extensive literature on recruitment and selection procedures, and how managers can make use of the geographical proximity to accomplish this (e.g., Dick and Morgan, 1987).

[4] "Castle house" was the name given by various children to the rather old, dilapidated and very large town house where Paul lived.

[5] The assistant initially found out about the job by "bumping" in to one of the owner-managers in the gym which is directly adjacent to the office (see note three).

[6] It is perhaps worth noting that although access was extremely generous throughout the research period, it was continually discussed and negotiated. In this particular case taking the assistant away from the work space for research purposes was treated as a bit of a "skive", despite it being previously agreed and over the lunch period. The telephone calls received during the conversation were in part to monitor "progress", in terms of time taken.

[7] This jokey repartee sometimes included the researcher: comments such as 'What do you fucking academics know about the real world?' formed part of the ongoing establishment of roles during the research process, and could be seen as part of the inclusion of the researcher in the social group being studied (Collinson, 1992).