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Abstract: »Subjektivierung von Arbeit und Etablierten-Außenseiter-Figurationen«. This paper deals with the unintended consequences of new management strategies, i.e. the internalisation of markets and the subjectivation of work, on social relations in the workplace. Through the example of two organizational case studies from care services and public transport, it is shown that these managerial strategies foster social fragmentation; specifically, the emergence of established-outsider figurations in the workplace. The paper highlights third parties as an important intervening actor in established-outsider figurations at the organizational level. Third parties, e.g. works councils or line managers, may support established or outsider groups, or play a crucial role in reducing power ratios within figurations. Moreover, the paper explores preconditions of a drag effect of habitus through the example of established-outsider figurations in internal marketisation at the organizational level. Social reciprocity between management and outsider groups may prove a vital precondition of habitual change in outsider groups, thereby adapting to new work-related demands. To conclude, potential future avenues of research are outlined.

Keywords: Established-outsider figurations, subjectivation of work, internal marketisation, social fragmentation.

1. Introduction

Since the 1990s, the notion of subjectivity in the workplace has changed dramatically. In Fordist production systems, human subjectivity was primarily regarded as a threat to planned production processes. In the managerial perspective, workers' subjectivity was associated with obstinacy, self-interest, and ‘soldiering’ at work at the expense of employers’ interests. Moreover, employees’ tacit knowledge was regarded as a limit to management control. This negative notion of subjectivity reflected the basic management problem of turning purchased labour power into productive labour (Thompson 1989). The answer to this problem consists of work-related control based on mechanisation and an
extended division of labour encompassing task fragmentation and a clear-cut separation of the conception and execution of work (Braverman 1974).

Due to enhanced economic globalisation, Fordist mass-production systems became more instable and prone to crisis. Hence, production systems of flexible specialisation meeting demands of dynamic market environments emerged (Sennett 2006). These flexible systems were associated with a new strategy of Human Resource Management (HRM): Due to this strategy, employees, their knowledge and competence were acknowledged as a core resource vital to firms’ competitiveness and capability for innovation (Warhurst and Thompson 1998, 1). This new HRM-strategy of subjectivation of work intended to capitalise on human subjectivity to achieve economic goals, by granting employees extended autonomy at work and shifting economic responsibility to the workplace.

This paper argues that the HRM-strategy of subjectivation of work contributes to the social fragmentation of workforces, specifically reflected in the emergence of established-outsiders figurations at the organizational level. In this regard, the paper refers to overarching sociological debates that focus on the subjectivation of work in flexible capitalism (Sennett 2006). According to this debate, flexible capitalism is closely linked with a new logic of rationalisation that demands more self-control, an extended self-regulation at work, and an entrepreneurial attitude at work (Ernst 2010), thereby fostering an economisation of the subject reflected by the concept of the entrepreneurial self (Bröckling 2007). This paper takes account of this overarching sociological debate on the transformation of work, the working society and its relevance for a potential changing social character of subjectivity (Newton 2004; Bührmann and Ernst 2010). However, this paper focuses on a narrower scope, i.e. the management concept of subjectivation of work and its implications for figurations at the organizational level. Hence, it mainly refers to affiliated current debates in German work and industrial sociology. In these debates, scholars often argue that flexible capitalism promotes new management strategies of subjectivation of work in various industrial and service sectors. There is a tendency to analyse these new management strategies as structural constraints that confront employees with new respectively enhanced demands in self-regulation of work and enable new forms of effective indirect control combined with management by objectives (Moldaschl and Sauer 2000; Moldaschl 2003). In this perspective, negative impacts on employees’ health are analysed, primarily attributed to extended economic responsibility at work and enhanced work intensification (Kratzer and Dunkel 2011; Peters 2011). However, comparatively scarce attention is paid to contradictory elements in strategies of subjectivation of work (Böhle 2008) and to options for a shift in power balances in favour of specific groups of employees (Becke and Warsewa 2017). Specifically, economic organisations that promote strategies of subjectivation of work are extremely vulnerable and dependent on highly qualified employees. In their self-
regulation of work, highly qualified employees may exert extended control over sources of uncertainty (Crozier and Friedberg 1979) vital to firms’ competitiveness and their capacity for innovation.

This paper refers to the organisational level. In figurational analysis inspired by the research approach of Norbert Elias (1993), figurations are a ‘bridging concept’ that overcomes the duality of the individual and the society. Thus, the concept of figurations provides a link between the micro-level and the macro-level of sociological analysis. In the figurational perspective, however, the meso-level is rarely dealt with (Becke 2002). At the meso-level, a social core unit refers to economic organisations (Reed 1992). Regarding this core unit, there is a lack of empirical research analysing the impact of subjectivation of work on social relations and inter-group dynamics. The conceptualisation of established and outsider groups (Elias and Scotson 1965) provides a figurational perspective to analyse inter-group dynamics at the organizational level (Nielsen et al. 2016; Ernst 2013). This relational perspective can be fruitfully applied to explore the interplay between subjectivation of work and inter-group relations in the workplace.

This paper considers the internalisation of markets within economic organisations. Firstly, it analyses and discusses the unintended effects of new HRM-strategies of subjectivation of work on inter-group relations in the workplace by applying Elias’s concept of established-outsider figurations. Recent research in the sociology of organisations and work widely neglects the relational implications of management strategies of internal marketisation and subjectivation of work (Becke 2008). Secondly, this paper intends to explore the relevance of habitus for figurational changes in the workplace associated with new management strategies of subjectivation of work and internal marketisation. It intends to investigate how specific variants of habitus are linked with established and outsider groups. Moreover, this article discusses potential drag effects of habitus related to the HRM-strategy of subjectivation of work. The paper shows that drag effects of habitus mainly refer to outsider groups. Furthermore, it explores preconditions of this habitual drag effect.

These two starting points of the paper refer to two case studies from action-research projects focusing on the internalisation of markets in different institutional settings. Both case studies relate to service organisations embedded in institutional or sectoral settings in which management strategies of internal marketisation were introduced comparatively late, i.e. in in-patient care and public transport. These ‘laggards’ were selected in order to emphasize that internal marketisation is a predominant driver of organisational change even in institutional settings that had been traditionally shielded from economic competition. Furthermore, the selection of both case studies refers to their specific character of established-outsider figurations. In both case studies, analysed established-outsider figurations deviate – at least in one feature – from core assumptions related to Elias’s conceptualisation of established-outsider figura-
tions. Elias and Scotson (1965) propose that the established as well as the outsiders are social groups differing in their social age. In the first case study (in-patient-care organisation), the outsiders lack – due to a high extent of personnel fluctuation – significant features of social groups, e.g. a more or less coherent we-identity. In the second case-study (public transport firm), both figurational groups share a comparatively long tenure with the employer organisation. This feature challenges Elias’s conceptual assumption that established groups are of older social age than outsider groups.

Whereas both case studies address the initial starting point of this paper, the case study of the public transport company also deals with the change of employees’ habitus in respect to management strategies of internal marketisation and subjectivation of work. The latter case study explores habitual changes in respect to the shift of intergroup-power balances between different groups of maintenance workers.

Introducing management strategies of internal marketisation and subjectivation of work confronts employees with new work-related demands, thereby challenging their habitus on an individual as well as on a group level (Bourdieu 1990). Primarily, employees are expected to acquire more entrepreneurial dispositions and self-responsibility at work. Habitus is a conceptual cornerstone of Pierre Bourdieu’s post-structuralist research that intends to link structuralist and subjectivist approaches. Habitus denotes a “mental filter that structures an individual’s perceptions, experiences, and practices such that the world takes on a taken-for-granted, commonsense appearance” (Appelrouth and Desfor Edles 2016, 420). These mental structures or dispositions enable individuals to apprehend the social world and generate a potentially wide repertoire of flexible individual agency in social situations. However, this repertoire is limited to specific actions, aspirations and practices that are familiar to the cultural groupings to which individuals are affiliated to (Reay 2004, 433). The habitus can be modified by new experiences in social fields; however, structures of experiences may prove an impediment to more fundamental habitual changes (Bourdieu 1990, 60).

Habitus is a relational concept in that it is structured by the social field individuals belong to or are socialized in. Through the habitus individuals acquire their points of view or perspectives, i.e. views taken from a specific “given position within social space” (Appelrouth and Desfor Edles 2016, 421). This position is shaped by economic capital (material resources), cultural capital (e.g. types of knowledge and expertise), and social capital, i.e. networks of contacts that allow individuals to secure or improve their position within their social space (Bourdieu 1990). In this regard, the notion of habitus reflects a power relationship within a specific social space.

This article has the following structure: Firstly, the HRM-strategy of subjectivation of work is introduced to pay specific attention to the internal marketisation of companies. Secondly, the concept of figurations is discussed with...
reference to economic organisations. In the third section, two case studies are analysed with regard to social fragmentation in the workplace reflecting the emergence of established-outsider figurations. In both cases, social fragmentation can be explained by the subjectivation of work. This section also explores how the emergence of established-outsider figurations within the workforce is associated with changes in employees’ habitus. The final section indicates avenues for further research.

2. Internal Marketisation and the Subjectivation of Work

Since the 1990s, firms of service and production sectors were reorganised to enhance flexibility regarding dynamic markets and to different customer demands. Due to economic globalisation, fostered by political decision-making processes on different levels, even organisations affiliated to sectors with a low degree of competition faced increased economic demands, e.g. in public or care services. The notion of flexible firms encompasses different forms of flexibility (Wood 1989): Functional flexibility refers to more flexible work tasks and forms of work-organisation, as project or teamwork. Functional flexibility aims at overcoming the rigidity of Fordist or bureaucratic structures; it requires a multi-skilled workforce. Numerical flexibility relates to the extended usage of non-standard forms of employment, e.g. temporary and part-time work or subcontracting or self-employment (Ernst 2010). It allows firms to expand or contract the size of the workforce more flexibly according to market changes. This often corresponds with boundary flexibility which intends to shift organisational boundaries, e.g. to increase cost efficiency or economic power. Boundary flexibility refers to a variety of business activities, as mergers and acquisitions, subcontracting, outsourcing and insourcing, franchising or other networked organisational forms (Grimshaw et al. 2005).

Flexible firms often introduce forms of internal marketisation that intend to create in-company competition as a means to enhance organisational flexibility to dynamic markets. Internal marketisation involves different elements (Becke 2010): Strategic decentralisation refers to the delegation of decision-making autonomy from higher to lower organisational levels closer to the customers. Contractual governance structures, as management by objectives, transpose overall economic goals into specific objectives that semi-autonomous profit or cost centres are expected to attain. The introduction of internal quasi-markets implies that intra-organisational social relations are reorganised due to market transactions by creating internal customer-supplier-relations. Modes of internal calculation are applied to everyday transactions between business units. Benchmarking systems allow performance-related comparisons between internal units and external competitors, such comparisons intend to stimulate internal competition in order to increase profitability and cost efficiency. Bench-
marking may pose a permanent threat to business units and employees to be dismissed or outsourced.

In flexible firms, subjectivity is regarded as a prime critical resource to attain economic goals. Specifically, formal and tacit knowledge and cognitive or behavioural abilities (e.g. social and emotional competence) are considered as prerequisites for work-related self-regulation at individual and team level (Böhle 2008; Moldaschl 2003). Therefore, firms are increasingly interested to entirely mobilise human performance potentials that are compatible with business strategies. The HRM-strategy of subjectivation of work intends to capitalise on employees’ subjectivity by result-controlled autonomy, i.e. performance-related control is limited to the outcomes of work processes (Becke 2008). Employees are granted a high degree of autonomy at work for self-regulation to achieve economic and time-based goals. This discretion exceeds task-related autonomy. Rather, self-regulation involves structuring one’s work, solving emerging problems, and organising the framing conditions of work (Böhle 2008), e.g. the deployment of available resources or co-ordination with co-workers, clients, or customers. In this regard, the management problem of turning purchased labour power into productive labour is to be solved by employees themselves who are empowered to a micro-management of work processes (Böhle 2008).

In work and organisational sociology, the current debate on the subjectivation of work can be characterised roughly by two contrary positions (see also Ernst 2010): The first states that this HRM-strategy is highly effective with employees developing an entrepreneurial work-orientation and a strong commitment to economic goals (Moldaschl 2003). According to this structuralist argumentation, employees adapt to new work-related demands, thereby transforming subjectivity at work. In this perspective, employees internalize external demands and acquire a more or less entrepreneurial attitude at work. Thus, external control can be reduced due to employees’ effective internal modes of control, self-discipline, and self-regulation at work. The second position contradicts this structuralist argumentation by highlighting the autonomous subject. It assumes that employees’ obstinacy may prove a fundamental source of individual resistance to the subjectivation of work (Sauer 2005). Whereas the first position fails to explain diverse employees’ response patterns, e.g. individual or collective resistance to subjectivation of work (Thompson and Ackroyd 1995), the second position primarily focuses on the autonomous subject and her or his capability to constrain the managerial appropriation of subjectivity at work.

Both positions share a common restriction in that they tend to neglect the relational dimension of subjectivity in the workplace (Ernst 2010). The perspective of relational subjectivity argues that workplace subjectivity is shaped in more or less durable interaction processes with co-workers and managers in which patterns of social expectations evolve, embracing formal and informal
expectations towards the employment relationship (Becke 2008). For instance, patterns of social expectations relate to the norm of reciprocity (Gouldner 1960) as reflected in the informal balance of give and take between managers and employees. In this perspective, employees' subjectivity and human action are structured but not determined by managers (Giddens 1984), because work processes and structures also provide resources employees can draw on. For instance, work processes and structures enable employees to acquire tacit knowledge as informal power resources. The relational dimension of subjectivity in the workplace is also reflected in the concept of social figurations. This concept – developed by Norbert Elias (1993) – refers to “the complex network of social interdependencies which surround everyday life” (Newton and Smith 2002, XI). In figurations, social groups and individuals with specific interests and intentions are interwoven. Figurations are in constant flux reflecting the changing power balances between interdependent groups and individuals. Figurations constrain strategic action because the interweaving of different actors promotes social order encompassing intended as well as unintended elements. Concerning the HRM-strategy of subjectivation of work, the figurational perspective provides an explanation of why these strategies often fail. They are based implicitly on the assumption of an oversocialized conception of human beings (Wrong 1961) arguing that employees identify with the subjectivation of work. Hence, the figurations of managers and employees within the employment relationship are widely neglected. Despite an uneven distribution of power, employees are capable of utilising their specific power resources, e.g. tacit knowledge, in order to develop forms of resistance to subjectivation of work (Thompson and Ackroyd 1995), thereby also reducing uneven power balances.

3. Economic Organisations as a Specific Form of Social Figurations

Norbert Elias (1993, 143) emphasises that the concept of figurations can be applied to a variety of social contexts. Against this backdrop, economic organisations are viewed as specific forms of social figurations (Becke 2002; Evers 2016). The figurational perspective embraces social interdependencies between different actors at the organisation-environment level and at the intra-organisational level. At the first level, economic organisations as collective actors are closely interwoven with external social actors and institutions, specifically of their own socio-economic environment. Social figurations between organisations and external actors or institutions are embedded in often long-term socio-historical and socio-economic processes that foster the societal integration of economic organisations and the social evolution of specific organisational fields, branches, and professions (Elias 2015; Scott 2008). In re-
spect to economic organisations, sectoral and professional interdependencies with external actors are predominant. Specifically, legal and political institutions and industrial relations provide a social framework that constitutes interdependencies between economic organisations and external social actors. Figurations between organisations and external social actors exert influence on organisational decision-making processes and strategies. However, organisations as collective actors may generate or utilise power resources enabling them to partially shape their specific socio-economic environment (Scott 2008).

At the intra-organisational level, the figurational perspective refers to interdependencies between management and the workforce, or their representatives, respectively e.g. trade unions or work councils. As management and the workforce are no coherent monolithic social entities, specific figurations within both groups may emerge. For instance, interdependencies between different professional or occupational groups of employees can be traced within the workforce (Becke 2002). At the intra-organisational level, a web of different vertical and horizontal social figurations may evolve (Evers 2016). Within economic organisations, figurations between actors can be attributed to basic forms of interdependencies, specifically to the employment relationship, and the functional, i.e. hierarchical division of work (Coyle-Shapiro and Conway 2005; Berghoff 2004). Each economic organisation embraces an overall primary task linking organisations to specific socio-economic environments, as industrial sectors or organisational fields. The overall primary task can be accomplished by means of a functional division of work and social mechanisms of coordination that allow a task-oriented and procedural integration to produce specific goods or deliver specific services. The functional division of work is associated with organisational units that specialise on specific core tasks in order to contribute to the accomplishment of the overall primary task. These units are functionally interdependent because they depend on resources and performance other units control or provide in respect to the primary task. Functional interdependence creates a power balance between units; even if power resources are distributed unevenly between units, a mutual interdependence exists that leaves room for cooperation, negotiation, and conflict. In organisational units, managers and employees often develop a specific work culture and social practices that are centred on their specific core tasks (Becke 2008). Work cultures are a vital source of social belonging and identity in organisations.

The employment relationship creates an interdependence between employers and employees that is fostered by the incompleteness of the formal labour contract. From the employer’s perspective, this incompleteness reflects the problem of transforming purchased labour power into productive labour (Thompson 1989). From the employees’ perspective, this incompleteness “enables management to decide detailed work assignments after workers have been hired” (Marsden 1999, 3). Due to this dual incompleteness, the employment relationship proves an exchange relationship that is based on conflict and nego-
tiation. It also enables mutual trust building and social exchange (Coyle-Shapiro and Conway 2005; Evers 2016) reflected by the informal reciprocity of 'give and take,' and often cooperative forms of conflict resolution. Within the employment relationship, employer and employees are mutually interdependent to attain their respective goals, e.g. profitable production and decent work. Although employers’ power resources are comparatively larger, employees remain in control to the extent to which they are engaged in the labour process, i.e. utilise their skills, competencies, and qualifications, bring in their work motivation and their loyalty to an organisation (Senghaas-Knobloch 2008, 56).

In intended organisational change, e.g. introducing internal marketisation, the distribution of power resources is at stake; established social practices and (informal) norms are called into question (Becke 2010). Hence, organisational change is often associated with emerging conflicts and negotiation, thereby even shifting established power balances between intra-organisational actors. Elias’s concept of the established-outsider figuration (Elias and Scotson 1965) provides insightful considerations to explain the emergence and shift of power balances in organisational change.

The concept of established-outsider figurations refers to an uneven power balance between two interdependent groups (Hughes and Goodwin 2016; Treibel 1993). The position of superiority of one group can be attributed to monopolising material or immaterial power resources – at least for a time (Elias and Scotson 1965; Mennell 1998). The deployment of these power resources enables the established group to utilise networking for the access to influential or leadership positions in a specific social context. The position of superiority is enhanced by the social age of the established group, i.e. the longer a certain group exists, the more likely it is that social cohesion develops and promotes mutual aid and gossip. The latter serves as an important instrument of social control and exclusion (Soeters and Itersen 2002). Two variants of gossip can be discerned (Elias and Scotson 1965): Blame gossip is directed against the outsider group, imposing a negative image to an outsider group by highlighting deviant behaviour, less moral virtue, minor respectability or achievement. Blame gossip within the established group serves as a means of social control and adherence to group norms. On the contrary, internal gossip is predominantly praise gossip that promotes a positive self-image and tends towards idealisation reflected in a self-ascribed group charisma by the established group. The creation of group charisma is closely interwoven with the imposition of group disgrace on the outsider group. The imposition of group disgrace is linked with social stigmatisation of the outsider group by the established one. If group disgrace is internalised by the outsider group, the inferiority position is accepted. However, established-outsider figurations are in constant flux with shifting power balances. Through tensions and conflicts, uneven power ratios can be reduced or even overcome by the outsider group.
Managerial strategies of subjectivation of work and of internal marketisation are examples of purposeful strategies that entail unintended consequences for social relations in the workplace. Specifically, these strategies may foster processes of social fragmentation within the workforce which are reflected by the emergence of established-outsider figurations. In this section, such processes of social fragmentation are analysed by the example of two case studies that refer to service-sector organisations of in-patient care and local public transport. Both case studies were part of action-research projects encompassing interviews with managers affiliated to different management levels, participant observation of work processes, group discussions or moderated workshops with employees, and dialogue conferences embracing managers and employees to develop shared solutions to organisational problems. Both case studies shared some overlapping starting points: First, both organisations were affiliated to service branches that had been shielded for a long time from market pressure. Second, new managerial strategies of internal marketisation and subjectivation of work were implemented in the face of fundamental changes rooted in their socio-economic environments.

4.1 Case Study A: Care-Com

In Germany, formal care for the elderly had been mainly provided by organisations affiliated to religious institutions or non-profit organisations, and to a minor extent – by public organisations. However, care for the elderly has been delivered to a large extent informally in families, specifically by (working) women. In 1995, the Long-Term Care Insurance was introduced as a new pillar of the social insurance scheme, thereby establishing a public system for financing long-term care. This political reform was motivated by reducing public expenditures for social benefits, specifically in the face of demographic change associated with increased life expectancy and morbidity of dependent elderly. The reform promoted an enhanced marketisation of formal care services in order to create welfare markets. The formal care sector was opened up to economic competition associated with an expansion of private firms, and budgeted expenditures to be negotiated between care organisations and public authorities. In order to safeguard high quality standards, care-providers were obliged to introduce externally certified quality-management systems.

The case study refers to a private holding company offering in-patient care services. It was founded in the early 1970s and since then has expanded up to a dozen establishments in 2008. After the family owner had sold the company to a foreign financial investor, the company was restructured by introducing internal marketisation in order to increase profitability. Moreover, a new holding
management was established who’s business strategy focused on rapid expansion, mostly by acquisitions. In 2015, around 50 establishments with more than 4,500 employees belonged to the holding. The affiliated establishments were confronted with economic pressure to reduce costs and increase profitability with regard to overall dynamic goals set at the holding level. Our case study focused on Care-Com, a residential care provider with 80 employees. In 1995, Care-Com was bought by the holding company. After the take-over, a new management team was recruited who reorganised Care-Com with the assistance of a core group of employees. This core group consisted of skilled and unskilled care-givers with mostly more than ten years of service for Care-Com. The new management team and the core group shared a common vision to create a residential care unit dedicated to very high care standards for the elderly. In times of reorganisation, a close relationship between the management team and the core group developed. The latter proved to be a highly reliable and flexible change supporter. In return, most of the supervisor positions were recruited by members of the core group. Moreover, a flexible and informal pattern of reciprocity based on social exchange between the management team and the core group evolved providing mutual benefits.

The foreign investor placed new profitability and performance-related demands on establishments and employees affiliated to the holding. In this case, the HRM-concept of subjectivation of work focused on enhanced flexibility in respect to working-time demands. Moreover, employees were expected to provide a high quality of care services despite tight budgeting and control of financial and personnel resources by the holding management. For instance, newly hired care-givers obtained wages below the average-wage level of regional and sectoral competitors. Furthermore, new employees received a fixed-term employment contract for two years as a form of probation. After the take-over by the foreign investor, the personnel fluctuation increased successively at Care-Com. The management team and the core group of employees attributed this problem mainly to newly hired care-givers at Care-Com. Most of the newcomers had worked for less than two years at Care-Com.

The core group - backed by the management team - conceived of themselves as a group of highly flexible, reliable, and performance-oriented employees. Specifically, the sense of superiority was related to living up to their professional care ethos, even under dire circumstances of internal marketisation. In their work orientation, the professional care ethos of providing empathy for the elderly and time for individual caring was predominant. The care ethos reflected a self-restraint (Elias 1978, 127) based on internalised professional norms that fostered problematic coping patterns in respect to demands of the subjectivation of work. For the sake of high-quality care, even regularly working unpaid extra-hours was widely accepted by the core group. The risk of a successive depletion of psycho-physical health resources was fostered by their internalised self-restraint.
The core group, drawing on informal power resources closely linked to their strong social cohesion due to their length of service and to their long-time close relationship with the management team, conceived of themselves as the established group. Their sense of superiority was reflected in a group charisma that was reinforced publicly by the management team’s praise gossip. This established group was able to impose on newcomers the image of inferior outsiders, specifically by means of blame gossip. Newcomers were conceived of as sharing an instrumental work orientation without professional care ethos. Newcomers were regarded as employees of less moral virtue reflected by a lack of punctuality, cleanliness, and reliability. Moreover, they were blamed for bad manners and disrespect towards the elderly care-receivers (Becke and Wehl 2016, 234). Newcomers did not form a social group in their own right because of the high extent of fluctuation; most of them had decided to leave Care-Com before their fixed-term contract terminated. Preferring the exit option reflected their unwillingness to bear a high work load, comparatively lower wages, and stigmatisation by the core group. This individual coping pattern of leaving Care-Com can be explained by the negative effort-reward imbalance newcomers experienced (Siegrist 1996). Moreover, this individual pattern reflects a lack of collective voice against unfair treatment by employees in care-services for the elderly. Specifically in this case, there were no actors at Care-Com, who were receptive of newcomer’s companies.

4.2 Case Study B: Local Mobility Services

Since the 1990s, the public transport firm Local Mobility Services (LMS) faced the partial liberalisation of public transport by the European Union. It was motivated by the core idea to foster economic competition in public services. Competition was considered to reduce costs in public transport and to open up the sector for private competitors, thereby overcoming monopolistic or oligopolistic structures at local or regional level. At these levels, public authorities function as orderers and control agencies of public transport firms. Moreover, these authorities are often the main shareholders of local public transport firms. Due to the European liberalisation policy, public authorities were legally obliged to invite tenders for local public transport services. However, local authorities were interested to continue the established and reliable co-operation with LMS. They exempted from this obligation by utilising an opt-out clause allowing them to avoid inviting tenders in case LMS consented to improve efficiency by restructuring. Hence, local authorities and LMS concluded a framework agreement of restructuring that involved a successive reduction of subsidies and personnel without dismissals, and the introduction of internal marketisation. This framework agreement has been implemented by an in-company job security agreement negotiated between top management and works councils representing 2,000 employees at LMS. This agreement included
an avoidance of dismissals until 2013 (to be prolonged in further negotiations) associated with early retirement schemes, no substitution of vacant positions, and a reduction of entry wages to newly hired employees on fixed-term contracts. Specifically, the case study dealt with the cost center of vehicle maintenance, which covered a variety of different occupations, units and task-related work cultures. In the unit of tram maintenance, about eighty (predominantly) skilled workers were employed. Most of them had been working with LMS for fifteen to twenty years, sometimes even for a longer period of time. With the exception of few young workers with temporary employment contracts, maintenance workers were working full-time with unterminated contracts.

4.2.1 The Emergence of Established- Outsider Figurations

The management of the maintenance cost-center promoted a specific new HRM-strategy of subjectivation of work. It confronted maintenance workers with two new performance-related demands: First, they were expected to contribute to enhanced personnel utilisation at cost-center level. This implied increased functional flexibility beyond their assigned scope of tasks. Second, cost-center management wanted their employees to think and act in a more entrepreneurial spirit that embraced looking for opportunities to reduce costs in the workplace, and acquiring or at least assisting to acquire new orders internally and externally.

Being aware of enhanced economic pressure, most of the maintenance workers and their supervisors supported the new HRM-strategy. Acquiring new orders was conceived of as a safety belt against further personnel reductions and as a remedy against the threat of outsourcing maintenance units or tasks. In several cases, internal and even external orders were acquired successfully. For example, skilled maintenance workers extended their job-related terrain by checking and repairing in-company elevators, and produced mechanical equipment for a guide system of public parks. Moreover, workers pursued own, self-regulated efforts to develop new technical solutions for internal and external customers. These efforts enhanced their work motivation and self-efficacy. Priority was still placed on maintenance tasks for vehicle security. However, new orders enhanced the necessity of work co-ordination between work teams and supervisors in respect to new internal and external customers.

Nevertheless, the subjectivation of work unintentionally fostered an internal fragmentation within the maintenance workforce. The new strategy questioned an informal but predominant norm among employees, i.e. the laissez-faire norm. It rested on a widely acknowledged informal consensus to allow colleagues to utilise informal niches at work as long as these niches did not contradict to the actual work requirements (Becke 2008, 389). For instance, such niches are reflected in informal times for relaxation at work after having completed demanding orders. Demands of increased functional flexibility and work
co-ordination induced work intensification. The majority of maintenance workers held the view that these enhanced performance-demands could only be managed effectively, if all colleagues contributed their share. Hence, tolerance of work niches dwindled being conceived of as an unfair distribution of work load. The informal norm of collegiality was more and more replaced by a new one defining collegiality as employees’ willingness to contribute to the new management strategy.

However, a minority of maintenance workers objected to this new widely shared norm of collegiality. The informal laissez-faire norm became a contested terrain signaled by an increase of disputes between defenders and opponents. The old and the novel informal norm of collegiality represented two different notions of justice and fairness in the workplace (Kotthoff 2003): The laissez-faire norm reflected the principle of equality that is based on social belonging as a common ground for mutual respect, informal rights and obligations. This principle is related to distributive justice based on solidarity, especially with weaker members of a social entity. It proposes equal pay for the same work irrespective of individual work-related commitment or performance. The novel informal norm stood for the principle of equity linked to performance-contributions each employee was willing to invest for the sake of the maintenance unit’s competitiveness. The supporters of the novel informal collegiality norm promoted the idea of introducing a performance-related wage system.

An established-outsider figuration emerged, as the majority of workers were able to delegitimise the old norm of collegiality as fostering unfairness in the workplace and redefining solidarity based on equity. Opposing the novel norm was considered as fragmenting the solidarity. The minority of workers were more and more stigmatised by practices of social exclusion and blame gossip (Becke 2010). For instance, they were mocked as ‘lazy bones’ not willing to carry out additional tasks beyond their assigned job-terrain. Blame gossip contributes to the social marginalisation of the minority of workers because it devalues their work performance, thereby questioning their social belonging to the maintenance work culture. By blame gossip and delegitimising the old norm of collegiality, the majority of workers were able to establish an imbalance of power between both groups that promoted an established-outsider figuration. However, the minority of workers did not identify with the imposed image of group disgrace. Rather, they blamed the majority for fragmenting the solidarity of the workforce and rejected the introduction of performance-related pay.

The established-outsider figuration was fostered by cost-center management and most of the supervisors as third actors who backed the majority of workers. However, third actors to an established-outsider figuration can also contribute to reduce power imbalances. In this regard, the works council and the workshop manager proved to be influential third actors; the works councils support-
ed the minority of workers in that they objected to the introduction of a performance-related wage system in vehicle maintenance. The workshop manager inquired under which conditions the minority of workers would extend their range of assigned tasks, thereby starting a process of negotiation. The active involvement of the minority group enhanced trust building and fostered their social recognition. Negotiations resulted in their willingness to take on additional tasks in return for the improvement of working conditions (e.g., new technical equipment and specific training offers) and the workshop manager’s dedication to support unterminated employment contracts for young workers.

4.2.2 The Drag-Effect of Habitus in Established-Outsider Figurations

In this case study, the concept of habitus was not referred to as a conceptual cornerstone. However, the empirical findings allow a preliminary exploration related to the drag effect of habitus in the established-outsider figurations. At first glance, one would expect there to be little to no habitual difference between workers affiliated to the established or the outsiders. Employees of both groups share—at least in regard to their training and expertise as skilled workers and their comparatively long tenure with LMS—a similar work-related life experience. However, differences in their habitus are more apparent in respect to their specific responses and attitudes to the introduction of internal marketisation.

Employees’ habituses are receptive and responsive to changes in work environments or economic organisations. Thus, the habitus is more or less “continually re-structured by individuals’ encounters with the outside world” (Reay 2004, 434). A closer inspection of the established and the outsiders reveals that the latter group predominantly consists of workers who share a common perspective on the permanent reorganisation process they have been facing for ten years (Becke 2010). From their perspective, the permanent reorganisation via internal marketisation is associated with disappointments in work-related aspirations and a gradual but successive lack of social recognition by LMS with respect to the top management. Disappointed aspirations relate to different domains: Firstly, workers perceive an uneven distribution of personnel reduction within the organisation and across occupational groups in the maintenance unit. The outsiders share a common point of view in that they are of the opinion that their occupational units or groups have had to face more severe personnel reductions than others. Secondly, members of the outsider group tend to perceive the internal marketisation as a violation of their aspiration of generativity. This attitude focuses on the proliferation of formal and tacit knowledge to a younger generation of workers. In their view, this aspiration is neglected because personnel reductions are often combined with reducing training facilities for young workers. Last but not least, members of the outsider group more often hint at continual work intensification through permanent reorganisation.
Against this backdrop, they perceive the introduction of internal marketisation as a significant demarcation line. In this perspective, their past experience with LMS before the reorganisation process started is associated with feelings of nostalgia. Members of the outsider group refer to these past work-related experiences as the ‘golden age at LMS’ (Becke and Senghaas-Knobloch 2004, 45).

The predominant habitus of workers affiliated to the outsider group can be explained by a perceived lack of social recognition and an imbalance of social reciprocity between LMS – represented by top or higher management levels – and workers who belong to the outsider group. Contrary to the outsiders, the established group tends to view internal marketisation as a field of new opportunities. Specifically, these new opportunity structures refer to an enhanced autonomy and responsibility at work, the acquisition of new knowledge and expertise, and options for career advancement, especially for highly qualified workers and young employees with fixed-term employment contracts. From the point of view of workers affiliated to the established group, social reciprocity between LMS and employees is more or less balanced in internal marketisation.

The aforementioned example of members of the outsider group who are willing to extend their assigned range of tasks may reflect a change in their habitus. The defensive orientation towards new work-related demands is reduced and leaves room for new work-related experience. This habitual change can be interpreted as a drag effect of habitus within the outsider group; that is, outsiders adapt to new work-related demands instead of rejecting them. However, the preconditions of this drag effect of habitus have to be taken account of. The habitual change is enabled by improving social reciprocity between management and employees through direct negotiations in the workplace. From the perspective of outsiders, gains in social reciprocity are conceived of as a prerequisite of their willingness to adapt to new work-related demands. Negotiated gains reduce the power imbalance between employees and their supervisors or management. Moreover, negotiation provides social recognition of outsiders by management as a third party to the established-outsider figuration, thereby indirectly reducing power differentials between established and outsiders. The drag effect of habitus remains fragile as long as new work-related experiences do not provide opportunities to improve social reciprocity in the workplace.

5. Conclusion

Both case studies indicate that the subjectivation of work contributes to a social fragmentation within economic organisations, specifically if organisations are restructured to create internal quasi-markets. Social fragmentation is mirrored by the emergence of established-outsider figurations. In both cases, contested
work orientations proved to be the centerpiece of social fragmentation. The HRM-strategy of subjectivation of work intends to alter employees’ work orientation towards a more flexible and entrepreneurial spirit that may collide with previously established informal norms or with employees’ predominant work orientations. The more competitive and flexible work orientations become prevalent, the more conflicts and processes of social stigmatisation are likely to occur.

At first glance, the case-study findings support Elias’s established-outsider concept. However, in some respect empirical results deviate from this concept, thereby opening up avenues for further research: First, the dyadic nature of established-outsider figurations is called into question. In both case studies, third actors (e.g. management and works councils) either promote the emergence of established-outsider figurations or prove to be influential in reducing uneven power ratios within these figurations. Hence, at least a triadic understanding of established-outsider figurations has to be considered for future research on figurations in organisational change reflecting the specific role of third actors, e.g. supporting one group or another, or mitigating and resolving conflicts. Second, our empirical findings show that the internalisation of an imposed image of inferiority can be rejected by an outsider group, thereby delegitimizing the claim to (moral) superiority by a more powerful or established group. If both interdependent groups claim to be superior in moral respect, an established-outsider figuration is unlikely to be stabilised. Hence, other variants of figurations are to be explored and analysed in organisational change processes embracing collaborative or conflictual figurations. The emergence of these variants seems to be more likely if interdependent groups are characterised by approximately similar social ages.

This paper indicates that new work-related experience may shape or alter employees’ habitus. For further research, it is important to explore the social preconditions of habitual drag effects. Specifically, social reciprocity is to be analysed as a prerequisite of the drag effect of habitus and its stability. A more balanced social reciprocity hints at reducing power imbalances in social figurations.

Finally, it can be questioned whether self-restraint is essential for employees’ work orientation as it places emphasis on more problematic coping patterns of subjectivation of work. At the very least, other sources of work orientation, such as employees’ sense of coherence or their interest in meaningful work, should be considered in future research.
References


