Symbolic Management of Human Resources

Per-Olof Berg —

This article begins with the observation of three recent and interrelated trends in management: corporate advertising, internal marketing, and strategic management of human resources. The basic argument is that these trends indicate a shift in managerial focus, from the management of human resources to the management of symbolic resources. Symbolic resources are here seen as symbols, metaphors, images, etc., which in a condensed form represent complex organizational phenomena, and which can be developed and utilized to guide strategic corporate action. There are four types of "symbolic resources" that seem to be particularly powerful: historical resources (i.e., elements of the corporate saga or epic), basic values and ideologies (as expressed in the corporate policies), particular activities and events (as anniversaries and celebrations), and finally, the company lifestyle (or ethos).

MANAGEMENT OF CORPORATE RESOURCES

Framing the Issue

In the current debate on management methods, the strategic management of human resources is obviously an issue of great concern to practitioners as well as researchers. One reason might be the growing awareness that social or organizational innovation is the secret to corporate competitiveness. For example, R. Wilmot, Chairman of the Board of ICL (UK) has said that:

> The winners of tomorrow are those who can build the most capable organization, not those who are good at manufacturing and marketing products and services.

This emphasis on organizational capability, which includes not only the traditional competence aspects of organizations but also the competitive attitude of its employees, highlights the importance of a motivated and committed workforce.

Another reason for the recent emphasis on the strategic importance of human resources might be that more and more organizations (particularly in the growing service industry) rely on the cooperation of customers and clients to perform their tasks. There are many ways in which companies attempt to bring customers closer to the company: building up automatic services (e.g., banking transactions, delivery systems of oil, gas, etc.), creating clubs (e.g., Club Mediterrainée, Hertz No. 1 Club), involving the customers as "members" rather than as consumers. The point here is the emphasis on selecting and connecting to certain segments of the market, i.e., to make the desirable customers not only positive to the company products and services, but also dedicated to the basic company goals, values, and strategies or as one company expressed it: "It is no longer enough for a company to have many customers, but we need many friends."

As the boundaries between organization and environment become more diffuse and ambiguous (in terms of organizational membership, exchange relations, transactions, etc.), there is also an increased need for a strong corporate identity—fostering distinct and competent human resources. In other words the weaker—or more unclear—the technical core of the organization, the stronger the need for a cultural core (Berg and Gagliardi, 1985).

A third reason for concern regarding strategic human resource management might be that the experiences from "excellent" or "high performing" organizations have shown that a competent, and above all committed workforce (i.e., with a good company spirit, a strong culture, a powerful corporate identity, etc.) is seen as a prerequisite for "excellence" (Peters and Waterman, 1982; Deal and Kennedy, 1982) or "high performance" (Vaill, 1982) in organizations. In the wake of the corporate culture boom, it has also been argued that the full utilization of human resources requires a high degree of individual commitment and identification with the company.

A fourth driving force might be that as standardized production processes reduce the competitive advantages of the technological core, the cultural core (i.e., a cogent corporate identity) becomes a more important discriminating factor on the market.

For many organizations, the image of the company is, in fact, more important than the content or substantial value of the goods and services provided. Here, the human resources provide one of the most important ways through which corporate image is created and conveyed to the outside.

While both practitioners and scholars profess a need for strategic human resource management, there is a striking lack of theoretical frameworks to guide practical action or research. The attempts made to date (like Odiorne's, 1984, portfolio analysis or the traditional

human capital approach by Schultz, 1978) all suffer the limitation of not linking the human resource concept directly with the strategic process. And those who link human resources to strategy (e.g., Fombrun, 1983) tend to have a weak conception of what constitutes human resources. Thus, the overall purpose of this article is to present and illustrate a tentative theoretical framework for the strategic management of human resources based on the interpretation of three recent and interrelated managerial trends. One caveat: it is important to position the human resources, not only in relation to other corporate resources (such as land, raw material, equipment, capital, etc.), but also in relation to the various levels of management (operational, tactical, strategic, and policy levels).

Strategic Human Resource Management

The art and science of managing human resources primarily means utilizing and developing the organization members in the most efficient way. At the core is the wish to get a structure and skill level optimally distributed according to the demands of the production process, at the same time the organization members are supposed to be committed to the organization in general and to the strategic aims in particular.

The view of organizations as "shared frames of meanings," "cognitive maps," or as "symbolic fields of action" is closely linked to the recent debate on organizations as cultures that has dominated management theory. One can, in fact, see the interest in corporate cultures as an indication of the importance assigned to the strategic management of human resources. Organizational culture can be seen as a useful way of describing the collective characteristics of the human resources (e.g., in terms of its patterned behavior, underlying value and belief structures or human artifacts). One can, in fact, argue that the management of human resources in a strategic perspective is essentially the strategic "framing" of corporate cultures. This is what Vaill (1982) has called "the purposing" of an organization. Expressed in the terminology of this article, this means the "framing" of the human resources in the "symbolic field" (Berg, 1985). The more cogent the symbolic field of the organization, the easier for the corporate members to orient themselves and their behavior in a desirable direction. According to this view, the prime purpose of the manager in the future is to provide organization members with a set of unifying symbols to be used to orient themselves as actors fulfilling the corporate mission in the world while at the same time, letting each organization unit develop according to its own conditions and ability (identity).

THREE RECENT MANAGEMENT TRENDS

Three major management trends seem to deal with the issue of strategically mobilizing and focusing human resources: corporate advertising, internal marketing, and the mobilization of human resources.

Corporate Advertising, Accreditation, and Pride

Corporate advertising is often defined as the corporate communication activities aimed at positively influencing the public image of the company as a whole through advertisements in journals, (particularly in the form of full-page advertisements in daily newspapers and business magazines). Corporate advertising also appears under many names (institutional advertising, issue advertising, strategy advertising, etc.) and in many shapes.

Changing corporate names and logos is one example when corporate advertising is often used. When Skanska Cementgjuteriet changed its name to Skanska, it was done with the help of a massive visual identity campaign in the Swedish as well as in the international press. Another example given by Schneider and Powley (1985) is AT&T's change of logo from the bell within the circle (representing the all American Ma-Bell company spirit) to wave-lines on a globe (representing the sytlized international image. Still other examples are Japan's leading telecommunication company NT&T's change of logo and Singapore Telecom's change of logo to a large T with the globe as a background (Ho and Ngoh, 1981).

Corporate advertising can also have a more direct message. One example is the full page advertisement from the Swedish Telecommunications, giving New Year's promises to the Swedish people. Another example is when the Swedish Railways "gave a flower" to all its employees in the form of a full-page advertisement in the major Swedish newspaper to thank them for their commitment during the "coldest winter in the history of the railroads." In the latter case, the public (represented by the newspapers and their readers) is in fact used as the medium to communicate to the employees. A number of examples also exist that show how different organizations are using badges, pins, and other articles to enhance a positive identification with the company.

Berg and Gagliardi (1985) have pointed at some overall functions of the corporate communication activities outlined above: Corporate communication can be seen as an externally oriented, corporate *expressive strategy, through which the organization* "lets itself be known to the outside world by depicting itself (or certain aspects of itself) or by delineating opinions, values and beliefs that are consid-

ered desirable" (p. 9). However, the important point in the context of this article is *not* the impression the strategy will have on the outside world (the image), but the impact externally oriented corporate expressions have on the human resources inside the organization (the identity). The company's attempt to symbolically frame the context of its activities can, thus, be seen as an indirect but potentially very efficient way to influence the human resources in the company.

By producing a cogent image, the company evokes a specific reaction in the environment, forcing the members to act in a certain way (Boulding, 1956). Producing a directed or even "partly false" image might also, in fact, be one way of purposely changing corporate behavior. Normann (1984) writes, for example:

> In certain circumstances management may choose to create a deliberate mismatch between reality and image, in the hope that a strongly projected image will actually create behaviour of such a kind that reality is reshaped. This is a dangerous strategy which is often used in the wrong way; but we have also seen it being used creatively by skillful and innovative managers. (p. 73)

A good example is SAS (the Scandinavian Airlines System), which early on in the change process launched a major corporate advertisement campaign to back up the changing behavior of the personnel. Another example is the director of the business school who said:

> I always give the outside a picture of the school as I want it to be rather than as it is. In this way the pressure will build up from inside to conform with the expectations from outside. Thus, I don't have to push them, but just sit there and wait for my future to be realized.

However, as Schneider and Powley (1985) state in their account of AT&T:

> There remains however the lurking suspicion that although behavior may change in terms of performance at the individual as well as organizational level, changes in culture still need to be demonstrated. Changing images is most likely important but not sufficient. (p. 17)

The stronger the corporate image, the more willing is the context to "attribute patterned meanings to the corporate behavior in spite of deviant individual behavior of members" (Berg and Gagliardi, 1985, pp. 13–14). Thus, the corporate image, i.e., the outcome of the expressive strategy, is a powerful coercive device.

A second point is that the projection of the image on the public is a source of "pride" for the employee, i.e., his company is seen and recognized in the outside world, thus fostering cohesion and commitment inside the organization. Companies attempt to increase this "corporate pride," for example, through the production and distribution of gadgets with the company name, logo, colors, etc. These appear as decals on cars, logos printed on jogging suits, badges, cuff links, pencils, pins, etc.

Corporate pride seems to be particularly strong in companies who have been through difficult situations or turnarounds (e.g., SAS, Procter & Gamble, Chrysler), i.e., where the personnel have experienced hardship together and come out on the other side. Corporate pride is essentially a positive feeling, often connected with loyalty and commitment. It is also a foundation for defensive action, i.e., the company is something worth defending when questioned or attacked by outsiders.

To sum up, the core of corporate advertising is to create a strong and condensed image of the company that can be expressed to the public and imprinted on the context in which the organization chooses to exist. In this way, the organization is attempting to "frame" the context of its actions. The presentation of the image to the outside world clarifies corporate values and preferences as well as provides the members with a holistic view of the organization and its activities. To project an image to the outside world is thus an important part of the accreditation process of a company in a given context as well as an important source for corporate pride.

Internal Marketing

Internal marketing is essentially the active market- or business-oriented communication the company has with its employees in order to increase business or market consciousness, motivation, and loyalty at all levels of the organization. Arndt (1984) postulates, for example, that the emphasis of internal marketing is to "mobilize the human resources in the organization in order to improve the external marketing and the strategic adaptation" (p. 53). This is accomplished through a number of different means, such as distribution of pamphlets containing the "basic business values" of the company, production and discussions of video tapes on the corporate mission, large sales, or personnel meetings.

In a way one can say that internal marketing is one of the more important tools for internal legitimation of strategic actions. By framing the strategic choices made, i.e., by outlining the threats (e.g., from technology) or by marking out the territory (by market segmentation), the workforce is mobilized and the company's actions

become legitimate. By "framing" the company and its context, and communicating the mission to the employees, a framework for action is created.

Strategic marketing inside the organization can also be seen as corporate propaganda—an attempt to influence the minds of the people by manipulating their perceptions of the world rather than through operating with traditional reward systems, support structures, and the like (Martin and Powers, 1983). Internal marketing is here geared to create a sense of cohesion—("we belong to the same tribe," having the same totem and the same basic values). This "totemistic" aspect can be very dangerous, however, (Moscovici, 1981), as it might create a "false" boundary not only between the organization and its environment but also between different groups inside the company.

Another aspect of strategic internal marketing is its importance in maintaining or changing corporate identities. Today, there are examples of companies that have tried to improve their identities through internal marketing gimmicks.

One of the best examples of an internal marketing campaign is the one launched by SAS when introducing its Euro-class concept. Another example is the internal advertising campaign carried out in Coloplast, Denmark where the basic idea was to get the employees to "view the daily life with new eyes." (Compare the discussion on reframing reality in the first part of the article). In a brochure used to communicate the new strategy and "culture" to the employees, the motivation for the internal marketing was given through the following short story and its interpretation:

> Two stonecutters during the Middle Ages were asked what they were doing. "I am cutting this damned stone into a square," one of them answered. "I am working on a cathedral," the other one responded. There are many different ways of looking at one's work!

The above example also illustrates the way in which the company attempts to "frame" the individual task in the overall purpose of the company.

Strategic internal marketing can then be seen as the "purposing" of the organization in Vaill's terms, i.e., the conscious attempt to infuse the organization with the dominant values (or maybe, rather, the values of the dominant coalition in the company).

Mobilization of Human Resources

Whereas corporate advertising as well as internal marketing have been focused on changing attitudes, values, and beliefs, mobilization

of human resources is focused on action—on actually increasing the strategic corporate competence and competitive power.

Essentially, what we are discussing here are the activities performed by an organization in order to mobilize and strategically focus its human resources. This means, for example, the development of human resources to match the strategic corporate needs, increasing the "competitive" spirit in the company through special "mobilization programs," and finally, the development of "symbolic" rewards (the seller of the month, the most productive worker, etc.) to support a particularly desirable behavior. One example of this are the "corporate universities" that have started to appear in many companies (McDonald, SAS Service Partner, etc.), where the attempts seem to be to strategically focus all types of training activities in a certain direction. Another aspect involves attempts to actually increase the strategic business and market competence inside the organization. In fact, we can see a massive movement away from the development of general skills towards the building of strategically important competence.

The concentration on the mobilization of human resources means that the organization consciously attempts to mobilize and focus its workforce through training programs, market or product campaigns, etc., in order to strategically orient its action, and to position it in the organization (structure it) according to the overall corporate strategy. An important aspect of many human resource mobilization projects seems to be to outline the territory of future operations (the markets) and analyze possible opponents (competitors) and potential allies (partners). This can also be expressed as the positioning of the human resources in relation to a context consisting of "enemies" in a "hostile" external environment. One example of a human resource mobilization program was carried out at Volvo Components (a company in the Volvo Group). During this program, all employees were given the opportunity to discuss the overall strategic position of the company in smaller groups. These groups consisted of people from different levels of the organization. One can also argue that the imagery that comes out of such a collective discourse is more powerful, contains more meaning than prefabricated images or structures, regardless of their aesthetic, emotional, or cognitive qualities (Boorstin, 1980).

An interesting example of corporate mobilization projects involves the task-forces or ad-hoc groups set up by companies to look into and plan for the future. General Motors' Saturn project, with more than 99 people from different levels of the organization, constituted a team to look into the future mission, strategy, and organization of the company. Raspa (1985) writes:

They played, 'Let's pretend we have all the money and time needed to create the ideal organization, and let's also pretend that we are all equal.' Composed of forty-four United Auto Workers (UAW) and fifty-five salaried and managerial employees who made up the seven sub-committees, the Committee of 99 journeyed over two million miles investing 50,000 hours of work to discover the perfect corporation. From February to May of 1984, they travelled together, lived together, and operated on a concept of shifting leadership. To find out how the Saturn Corporation should be organized, they went wherever they wished all over the world and talked to whomever they pleased or could get in to see. (p. 7)

An interesting example of mobilization of human resources was the way in which Gambro (one of the world's leading manufacturers of artificial kidneys and dialysis equipment) used military terminology and military advisors to "declare war in the market place." Supported by the advice of General Westmoreland, the company sent a letter to the salesmen all over the world, stating in block letters that, "WE ARE AT WAR WITH THE MARKET," thereby indicating the wish to mobilize its workforce.

TOWARDS A NEW STRATEGIC PARADIGM

It is obvious that the three trends outlined above indicate a new way of looking at strategic management, emphasizing the important role of human resources in the organization. Not only have human resources become more "strategically" important, but above all, they are more strategically potent than most other resources. It is not only the amount of work produced by an employee or the skills involved in performing a task that have to be taken into account, but also one's creativity, commitment, and loyalty to the company, ability to act independently, and finally, overall contribution to the company's ideas and goals.

To put it bluntly, the development shown above indicates that it is no longer enough for the employee to perform tasks or obey orders, but he has to "believe" in the company and what it stands for and "feel" for what he is doing. This movement from control to value-driven (or from man- to mind-powered) organizations shows that not only is there a more complex view of man emerging, but also a shift from the individual to the collective level of management. Thus, the HRM challenge is how to strategically manage collectives
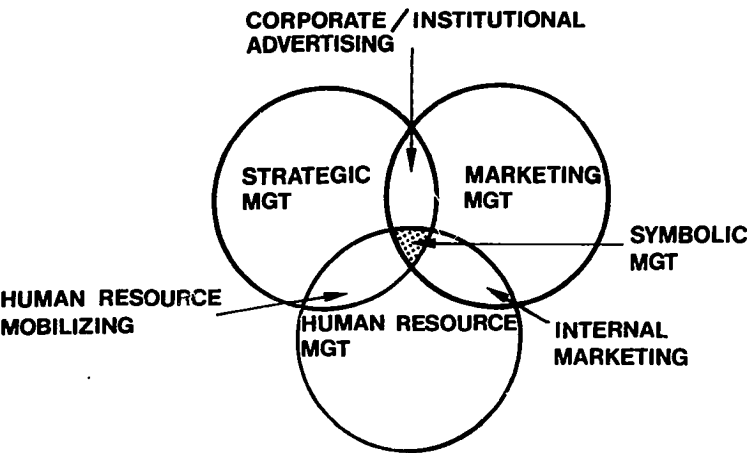
Figure 1

as compared to managing individuals or other types of corporate resources.

Figure 1 illustrates these recent developments in strategic management. The three circles represent major strategic variables (as well as major fields of management studies). Rather than looking at the relation between strategy and structure or between markets and products, the new strategic paradigm postulates an integration of the strategy, marketing activities, and the management of human resources.

According to this paradigm corporate advertising is then the way in which the organization attempts to "market" its strategies, policies, and culture to the world outside; internal marketing is the way in which the organization attempts to increase the business and market consciousness among its employees; and human resource mobilization is the attempt to mobilize the human resources in the organization, according to its strategic and market needs.

At the core of the new strategic paradigm is symbolic management, i.e., the development and utilization of symbolic resources in order to accomplish a strategic integration of the corporate identity (the symbolic–affective aspects of the collective human resources), the profile (the strategic character chosen by the company), and the image (the cogent imprint of the company on a particular section of the outside world). Thus, organizations are actively seeking to create an "image" of themselves that can also be used in managing internal processes.

Symbolic Management

The major argument advanced in this article is thus that there are indications that companies attempt to manage their human resources strategically with the help of symbolic representations in order to frame the collective reality inside the organization. This points, in fact, at the possibility of talking about the existence of a different type of corporate resources—the symbolic resources in organizations.

Symbolic resources are here seen as symbols, metaphors, concepts, and images, that in a condensed form represent complex organizational phenomena that may elicit and guide corporate strategic action. The management of symbolic resources, then, essentially means finding the most effective as well as affective distribution of meaning and action patterns in the organization to support the overall corporate mission. Thus, the emphasis here is on identifying, developing, and utilizing symbolic representations of reality to guide the collective action of the members.

At the core of symbolic management is the attempt to produce a powerful "image of the organization," meaning "the holistic and vivid impression of a company, held in common by a group, and expressing and orienting their basic feelings and attitudes towards the company" (Berg and Gagliardi, 1985). Managing images thus means the "fabrication of public impressions" (Bernstein, 1984) in order to support strategic action.

Other attempts to capture the essence of the "image" is to describe it as the "corporate aura" (Kreiner and Christensen, 1985) or as a "placebo effect" (Dichter, 1985)—both conceptions indicating the character and potential power of the total corporate impression. The power of such "holistic" impressions is that they respond to man's built-in tendency to form and comprehend complex, condensed, emotionally as well as aesthetically loaded "gestalts" of reality.

Images consist of symbols, organized in patterns. Where a symbol stands for the linking together of meanings and their representations, the image stands for the outcome of the symbolization process in the form of a vivid, complex representation of an object, person, or other type of more concrete phenomenon.

Kets de Vries (1980) has also argued that influencing people's images—the way they perceive reality—is a management tool with great potential, and Normann (1984) notes that images are mental models that guide behavior irregardless of to what an extent it represents reality.

The increased emphasis on using "symbols" to communicate important messages to the markets as well as to the members of the

organization is shown in the following statement from a Volvo vice president:

> At the Corporate Board today, the issues dealt with are investments, corporate identity, strategic management, and executive recruitment.

Expressing this in a similar way, the following argument is taken from a magazine discussing the present role of advertising agencies.

> What makes today's development so interesting is that it goes beyond the advertising world. The advertising has stepped one step up the hierarchy, and the advertising agency is by now welcome also in the boardroom.
>
> Source: Euroworld 1985, p. 38

One important point here is that symbolic resources have no "factual" or substantial value in themselves, rather, their value is a matter of meaning. Thus, when we are talking about symbolic resources in any form, we do not only refer to available means or sources of support, but also to a definite additional component—something not previously utilized.

Particularly interesting with the symbolic resources is that they are highly generative. They can be used to reframe markets, to mobilize employees, to define business opportunities. Whereas most other types of resources have a value which is fairly easy to establish on a market, symbolic resources are difficult to appreciate, and not for sale on the market like goods and services, but are often referred to as "immaterial" assets.

The core issue addressed in this article is now reformulated to: what are the managerial consequences of applying a symbolic perspective on the human resources in an organization. It is argued that symbolic management represents a fundamentally different way of strategic management—a different conceptual level of analysis, allowing us to deal with strategies, markets, and the human resources at the same time—from a meta level of analysis. This means the identification of symbolic resources inside or outside the organization or the creation of "new" symbolic resources, the internal development and utilization of these resources, and finally, the external use of these resources in relation to the environment.

SYMBOLIC RESOURCES

What is meant by "symbolic resources" and how have they been used in companies? The work of Moore and Beck (1983) has shed

some light on this question and in summarizing the results from an investigation of Canadian banks, they write:

> What kinds of images are best? We can only take a few educated guesses. Generally animate imagery works well in the visual realm, as does a focus on verbs in language use. More important than either, however, would seem to be the development of an interesting tension or paradox. Just as a lion can both attack other animals or cuddle up with litter mates, so the Royal cultivates both regal superiority and cooperative helpfulness. So too, it seems that successful managers understand the ambivalent nature of a good metaphor. Consistency, so the saying goes, is the hobgoblin of small minds. By the same token, flexible and creative image usage appears to be a key strength of the most successful ones.

Evidently, "symbolic resources" are elements that will have a powerful impact on the framing of reality in organizations, making cogent imprints on the outer as well as inner symbolic fields of the organization. Of particul importance to us are those symbolic resources that are most commonly used to strategically manage the human resources in the organization, i.e., the "historical" resources, the policy resources, the ceremonial resources, and the corporate spirit. It should be noted that this classification of symbolic resources is based on the theory of organizations as symbolic fields as discussed by the author in a number of other publications (Berg and Faucheux, 1982; Berg, 1985; and Berg and Gagliardi, 1985). Thus, the foundation for this theory will not be discussed here.

Historical Resources

The corporate history is one of the company's most important "symbolic assets," containing the processed and stored collective experiences. As such, it provides the corporate symbolic field with a diachronic dimension, giving the members a sense not only of the origin of the corporate identity, but also of the way in which this "identification" has been manifested in concrete actions. These "examples" are then used in different forms (as stories, various types of ritualized behavior) as beacons in the symbolic field (Wilkins 1978, 1983). This sense of "direction" can then be used when navigating in turbulent and ambiguous contexts. In fact, one can even argue that a "living" history (i.e., a history that is actualized and told in the company) is the best foundation for a powerful strategy (Smith and Steadman, 1981). This link between history and strategy has also been widely used by a number of companies.

The typical historical account (e.g., in the form of advertisements, booklets) conveys some of the basic values desired today, for example, assertiveness, creativity, risk-taking, and above all, entrepreneurship. Another example of the way in which one uses the successful history of the company to explain the core of the corporate identity is to describe the corporate development. Here a lot of attention is given to the acts of the founder, again often focusing on his entrepreneurial spirit or other desired qualities.

Bofors Chemistry uses the picture of Nobel, its founder, in its advertisements, stating that this is an organization based on traditional ("old and prestigious") know-how. Yet another example of how the genesis of a company can be used to convey the essence of a corporate identity is given in the 100th anniversary book for Standard Oil Company of California where historical pictures of the operations are blended in the corporate epic. The corporate saga (Clark, 1970, 1972) or epos (Berg, 1985) provide the companies with a number of other symbolic resources. De Marco (1984) has, for example, shown how companies might use persons or actions in the past to illustrate desired values or behavior in the present. One of the best examples of this is the way in which Hewlett-Packard uses the collective wage cut as an illustration of its human resource policy (Wilkins, 1978). However, history is used not only to convey values or to set parameters for behavior, but also as the very foundation for the corporate identity and, thus, for the feelings connected to belonging to a particular company.

One of the most cogent aspects of the symbolic field is the top manager (previously or presently acting in the company). There is an increasing awareness of how the top manager can be used "symbolically" to strengthen or renew a corporate identity or to produce a new image of the company in the eyes of the corporate workforce as well as the public. Goodman and Ruch (1981) have shown that "workers' perception of top management has greater impact on job satisfaction than any other factor" (p. 14). This does not, however, necessarily mean that the organization is a pure reflection of its top man (Harper, 1980), but rather that the chief executives *can* be used as most powerful tools to communicate meanings to the employees. One good example is the way in which top management is framed in the annual report (number of people, their spatial relation to each other, dressing, facial expressions, etc.). The autobiography of Lee Iacocca and the story of how he was used in corporate advertising is a good example (Iacocca, 1984). When talking about the argument about his appearing in TV commercials, he writes:

> At our strategy meetings at Highland Park, the agency made a strong presentation: Everybody thinks Chrysler's going bankrupt. Somebody has to tell them you're not.

The most believable guy to do that would be you. First, you're well known. And second, the viewers know very well that after you make the commercial, you have to go back to the business of making the cars you just touted. By appearing in these ads, you're putting your money where your mouth is.

In retrospect, I have to admit they were right. It's clear that my appearing in the television ads was an essential part of Chrysler's recovery. (p. 268)

The "success story" seems to be another powerful symbolic resource. Honda is one example of companies using success history and the personality of the founder to convey a complex message. "Horror stories" or tales of difficult periods in the life of the organization may also be used.

Policy Resources

That a well founded policy statement can be seen as a most important resource has been clearly shown by Vaill (1982). He argues that what characterizes a high performing system is that their members share a common basic idea about what the company is all about and what it should accomplish. One can say that corporate policies, as well as expressed values, norms, and beliefs, constitute the manifest aspect of the "synchronic" dimension of the organization (Berg and Faucheaux, 1982), i.e., the parameters that determine corporate perception and action. If the history provides the symbolic field with much of its content, the policies give it its form.

One example of this is the suddenly appearing interest in corporate values and missions seen in Sweden today. Many large companies from the private as well as public sector have attempted to develop "corporate bibles" or "little red booklets" containing the major corporate values. The list below shows a selection of values from six Swedish companies drawn at random:

Excellence
Freedom
Entrepreneurship
Farsightedness

Market orientation
Assertive attitude
Decentralization
Strength in demanding fields
International market development
Cooperation and Goodwill
Creativity

Information and Social function

Assortment—our identity
The X-spirit. A strong and living reality
Profit gives resources
Obtaining good results through small means
Simplicity is a virtue

The customer in focus
Overall quality
Free information
Education for good working
performance

Niche orientation
International emphasis
Decentralization
Flexibility
Creativity

Satisfied customers comes first
We can always do better
Free information gives strength
Change creates safety
We like action

You'll make it if you really want to
Competent managers set good examples
Gathering of strength—important for our success
Responsibility—an advantage
Most things still undone—wonderful future

Note the similarity between many of these "values," which might indicate that they represent a large pattern in society rather than a "true" reflection of the corporate policy or strategy (Berg and Gagliardi, 1985).

In ICL, the management as well as the business philosophy is formulated in seven basic commitments (expected of every man and woman in the company) and ten management obligations (expectations laid upon every manager to develop and apply business strategies and personal skills).

Many organizations try to utilize the inherent symbolic power in the overall corporate mission through communicating the basic strategy or guiding business principles to their employees or even to the outside world. One of the best examples of this is IKEA, the Swedish furniture chain. In a brochure directed to its personnel, the founder says that the overall mission of IKEA is to "... create a better daily life for the many people," and when turning to the external market, they use the same basic message, though somewhat reformulated. Most important, however, is the way in which compa-

nies attempt to communicate their basic mission and vision to their employees.

What has been shown so far are strategic attempts to express basic corporate values directly. An interesting development seems, however, to be to convey the message in a more "symbolic" form. One example of this is the use of a "mythologically" loaded language, for example, in the form of short stories, fairy tales (Volvo) or in highly abstract symbolic forms (Philips). The most recognized recent example of an attempt to convey the basic corporate business and personnel philosophy to the public is probably Volvo's corporate advertisement on the "Castel building." In this advertisement (which covers three full pages in newspapers and magazines), Volvo's values on quality and endurance are highlighted in the form of a fairy tale starting with "Once upon a time . . . ."

The use of this highly symbolic–mythical language deserves some special comments. There are indications that there are strong links between the structure of the basic belief systems in organizations and the structure of the myths, sagas, and stories that appear in society at large (Greimas, 1976; Broms and Gahmberg, 1983). Using a highly mythologically loaded language might then be one way to increase the symbolic power of what is communicated. Witkin and Berg (1984) have argued that mythical symbolling (the process or act through which the "real" world is communicated in symbolic terms), is the link between the rational and the sensuous worlds. This then supports the assumption that one of the more important sources for symbolic resources comes from symbols being a possible link between the effective and the affective dimensions of human experience.

Ceremonies

It has previously been argued that every organization has a more or less developed ceremonial cycle (Berg, 1983), and it is interesting to note how many organizations have come to use these different types of ritualistic behavior in organizations as a tool for corporate communication. What characterizes these corporate rites, rituals, ceremonies, and celebrations is that they are collective in the sense that people inside, and sometimes also from outside the company, come together to experience something together. A typical example is to take advantage of corporate anniversaries to mark time and to provide the employees with a sense of development (Dandridge, 1984). Anniversaries can also be used as a lever for other types of strategic activities. Alfa Laval's centenary celebration marked, for example, the starting point of one of the most recognized corporate advertisement campaigns in Sweden.

Rites, rituals, etc. can also be used more directly in connection with the development or implementation of a new strategy, as in the case of the Odense Social and Health Agency in Denmark where a large number of employees were collectively involved in developing the future strategy during large meetings in residence. The place of these meetings has become "sacred" in the company, marking the shift of corporate epochs.

Companies can also more explicitly use large collective events to reinforce the corporate "spirit" or to mark the beginning of a new era. A good example here involves the hangar parties launched by SAS for its employees to mark the beginning of its new strategy. Another example is the kick-off meeting organized by Kronan (the second largest savings bank in Sweden), which gathered all personnel in large circus tents in the middle of the forest to celebrate the "new-born" company. It is also quite common for companies today to organize "the company day," where all the employees, their families, the press, and people from the outside are invited to participate in a celebration.

The Corporate Spirit

One of the most difficult concepts in the corporate culture conceptual jungle is no doubt that of "corporate spirit." To some extent, however, it seems to reflect the degree of commitment to the company and the individual task. Navistar International (formerly International Harvester) advertised that, "The commitment is forever," indicating that the company not only sees the manpower, but the degree of commitment and dedication of its personnel as a very important corporate symbolic resource. The use of pictures showing employees smiling and looking upward is a way to symbolically attempt to convey a positive corporate spirit. Similar advertisements have been used in the airline industry, as well as in other parts of the service sector.

What these examples clearly illustrate is the importance the companies assign to their human resources. But it is not only the skillfulness that is advanced; the degree of commitment of the personnel to the company is advanced, perhaps more. Companies like IBM, McDonald, Hewlett-Packard do, in fact, make a point of the "spirit" of the workforce as being their most important resource.

SUMMARY

This article attempts to integrate the strategic management of the company with the way in which the organization expresses itself to

the outside world. This does not only mean that human resources are becoming more strategic per se, but also that when framed in a strategic and market context, they take on a different value. One can, in fact, argue that by reframing the strategic context of the company, we drastically change the "value" of the human resources and the overall strategy will be affected. The main purpose of this article has been to illustrate this mutual dependency between strategic, market, and human resource management, and to point out that the full and strategic utilization of all corporate resources—particularly the human resources—requires a method of management which is integrative and thus holistic in its character. There are strong indications that what is somewhat vulgarly called "symbolic management" might be a theoretical framework that can help us to understand this process.

The relevance of what is said above for the management of human resources can be summarized in the following points:

First, the smallest denominator in human resources is not the individual, but the collective. It is no longer adequate to develop reward or control systems based on the individual member, but on the group or the organization as a whole. In fact, the modern "value-driven" organization is based on collective experiences and expressions such as corporate pride, a feeling of identity, or a corporate spirit. It is exactly on these collective experiences that the symbolic management operates in order to produce a collectively shared frame of reference for action inside the company as well as a way of facilitating the accreditation of the company in the outside world.

One important point when managing human resources is that we are operating individuals and groups through manipulating reward systems (motivation), organization structures (power), and control mechanisms (punishment). Thus, there is a tendency for management by inspection rather than certification. When, on the other hand, we operate symbolic resources, as in many value-driven organizations, we work with changing meaning patterns, reframing social realities, and creating collective imagery. The essential task for a manager according to this view is to create and manage unifying symbols that give meaning to the organization members and impel them to take action according to the overall strategy of the company.

Second, imagery has a wide span of interpretation. Thus, the joining of forces of marketing and strategy will more likely hit upon a common denominator in the continuum of interpretation. Symbols also make it possible to communicate difficult interrelationships without going into too many details, e.g., when it comes to structures and systems. Corporate cultures exist on many different levels spanning from the rather superficial behavior patterns, basically founded in the corporate traditions, to very fundamental values,

beliefs, and tasks, closely connected with almost "archetypal" patterns of mankind and civilizations (Mitroff, 1983). The national cultural features which exist somewhere in between can then, in fact, be used as important symbolic "assets" in the organization. Adler (1980) talks, for example, about cultural synergy, basically proposing a way to organize cultural differences in a way that they support each other—so they can be treated as assets. In the same way that symbolic management operates across corporate boundaries, it operates across national boundaries. By communicating a strategy in policy terms, and with the help of symbols and imagery, even complex corporate phenomena can be made understandable. The real advantage of symbolic management is, in fact, that it makes it easier for the environment to become a part of the corporate sphere of interest. Conscious management of symbolic national resources might also mean the matching of cultural traits with the image needed to perform a difficult task.

Finally, some thoughts on the changing demands on the manager in order to be able to handle symbolic resources. Essentially, what is indicated is that the manager's ability to create and convey powerful and uniting symbolic representation of the company, its mission, and the context in which it exists is as important as his rational decision making capability. To manage "value-driven" organizations requires an "art" of management, while control-driven organizations need managerial engineers. Beck and Moore (1984) support this statement in a study of high performing Canadian bank managers. Their study shows that there is a clear link between managerial performance and the quality of the imagery the managers use.

The view of the manager as an "artist," operating with various kinds of symbolic representations to interpret a complex world and to convey powerful messages, is also supported by Pfeffer's (1981) arguments that management matters most when it comes to create sentiments, beliefs, attitudes, and commitment of the organizational participants.

However, I want to end this article by issuing a warning: The main problem closely linked to symbolic management is its proximity to convert manipulation or organization seduction (Lewicki, 1981). Lewicki argues that there is a very unclear boundary between the methods used to elicit commitment from its members and what can be called organization seduction (the company's attempts to make the employee himself choose to act in a certain way, where in reality he had no other choice). In this sense symbolic management is close to covert manipulation where the top managers determine the character and degree of cultural or symbolic integration and overall corporate ideology. Thus, modern managers have learned to operate and control the old "works-spirit" in a conscious way. One can also argue that symbolic management is based on a "false" conception of

reality. It operates through the creation of a pseudo-world which replaces the otherwise complex and confusing reality. This pseudo-world is, however, characterized by the splitting of the symbol from the substance, and the symbolic gets a value of itself, quite apart from what it represents. The dangers inherent in these pseudo-realities are clearly outlined by Boorstin (1980) in his account for pseudo-events in America.

> The central paradox—that the rise of images and of our power over the world blur rather than sharpen the outlines of reality—permeates one after another area of our life. . . .
> . . . Along with the blurring of knowledge, the multiplication and sharpening of images bring the blurring of our intentions and desires. (pp. 229, 232)

There are, in fact, strong indications that what we are experiencing today is the beginning of a rapid internationally growing symbolic pollution, where companies need stronger and stronger messages to be heard. This might soon lead to the creation of a pseudo-world where there is a gap between symbolic and the substantial and where symbolic reality is manufactured and consumed as any other commodity.

Perl-Olof Berg is presently working as an Associate Professor at the Management Research Institute; Copenhagen School of Economy and Business Administration. As one of the founders of SCOS (the Standing Conference on Organizational Symbolism) and its first chairman, he has been actively involved in research on the symbolic aspects of management since the early eighties. He is now engaged in a number of action research projects aiming at increasing our understanding of how to organize and manage "large collectives."

REFERENCES

Adler, N. J. Cultural synergy: The management of cross-cultural organizations. In Burke and Goodstein (Eds.), *Trends and issues in OD: Current theory and practice*, Chapter 8. San Diego, CA: University Associates, 1980.

Arndt, J. *Intern markedsforing for forandring av organisasjonskulturer.*, Oslo; Universitetsforlaget, 1984.

Berg, P. O. Organization change as a symbolic transformation process, in P. J. Frost et al. (Eds.), *Organizational culture.* Beverly Hills, CA: Sage, 1985.

Berg, P. O. Rites, rituals, ceremonies and celebrations in organizations, Unpublished Research Report, Dept of Bus. Adm., Univ. of Lund, Sweden, 1983.

Berg, P. O., and Faucheux, C. *The symbolic management of company cultures,* INSEAD: Unpublished Book Manuscript, 1982.

Berg, P. O., and Gagliardi, P. Corporate Images: A Symbolic Perspective of the Organization-Environment Interface, Paper presented at the SCOS conference on Corporate Images in Antibes, France, 1985.

Bernstein, D. *Company image and reality: A critique of corporate communications,* Eastbourne, Suss.: Holt, Rinehardt and Winston, 1984.

Boorstin, D. J. *The image: A guide to pseudo events in America,* New York, NY: Atheneum, 1980.

Boulding, K. *The image: Knowledge in life and society,* An Arbor, Mich.: University of Michigan, 1956.

Broms, H., and Gahmberg, H. Communication to self in organizations and cultures, *Administrative Science Quarterly,* 1983, 28(3), 482–495.

Christie, C. M. The name game: Companies that fear their name hurts them in the marketplace, *New England Business,* 1982, 4(11), 60–64.

Clark, B. *The distinctive college: Antioch, Reed and Swarthmore,* Chicago: Aldine, 1970.

Clark, B. The organizational saga in higher education, *Administrative Science Quarterly,* 1972, 17, 178–184.

Dandridge, T. C. Ceremony as an Integration of Work and Play, Paper presented at the First International Conference on Organizational Symbolism and Corporate Culture, Lund, Sweden, 1984.

Davies, T. R. The influence of the physical environment in offices, *Academy of Management Review,* 1984, 9(2), 271–283.

Deal, T. E., and Kennedy, A. A. *Corporate cultures: The rites and rituals of corporate life,* Reading, MA: Addison Wesley, 1982.

De Marco, W. M. Unlocking the Meaning of a Multi-Billion Dollar Corporation's Culture to Affect Strategic Change: A Case Study, Paper presented at the First International Conference on Organizational Symbolism and Corporate Culture, Lund, Sweden, 1984.

Dichter, E. What's in an image, *The Journal of Consumer Marketing,* 1985, 2(1), 75–81.

Fombrun, C. Strategic management: Integrating the human resource systems into strategic planning, *Advances in Strategic Management,* 1983, 2, 191–210.

Goodman, R., and Ruch, R. S. In the image of the CEO, *Public Relations Journal,* 1981, Febr. 14–19.

Greimas, A. J. *Semiotique et sciences sociales,* Paris: Editions du Seuil, 1976.

Harper, S. Does your company reflect your image, *Chief Executive,* 1980, June, 27–29.

Ho, A. M., and Ngoh, S. S. Telecoms' search for corporate identity: Very sophisticated show and tell, *Telephony,* 1981, Sept. 56–61.

Iacocca, L., with Novak, W. *Iacocca: An autobiography,* Toronto: Bantam Books, 1984.

Kets de Vries, F. R. *Organizational Paradoxes,* London: Tavistock, 1980.

Kreiner, K., and Christensen, S. Organizational Aura, Corporate Image and Industrial Renewal: Institution Building in Construction, Paper presented at the SCOS Conference, Antibes, 1985.

Lewicki, R. J. Organization seduction: Building commitment to organizations, *Organization Dynamics,* 1981, 10(2).

Margulies, W. P. Make the most of your corporate identity, *Harvard Business Review,* 1977, July–Aug. 66–74.

Martin, J., and Powers, M. E. Truth or corporate propaganda: The value of a good war story. In Pondy et al. (Eds.), *Organizational Symbolism,* Greenwich, Conn: JAI Press, 1983.

McQuade, W. Cosmetic surgery for the company name, *Fortune,* 1984, 109(9), 249–250.

Mitroff, I. I. *Stakeholders of the Organizational Mind.* San Francisco, CA: Jossey-Bass, 1983.

Moore, L. F., and Beck, B. E. F. Leadership among bank managers: A structural comparison of behavioral responses and metaphorical imagery. In I. Hunt, R. Steward, C. Schriesheim, and D. Hoshing (Eds.) *Managerial Work and Leadership.* New York, NY: Pergamon, 1983.

Moscovici, S. *The age of the crowd: A historical treatise on mass Psychology.* Cambridge: Cambridge University Press, 1985 (1981).

Normann, R. *Service management: Strategy and leadership in service businesses.* Chichester: John Wiley and Sons, 1984.

Odiorne, G. S. *Strategic management of human resources: A portfolio approach.* San Francisco, CA: Jossey-Bass, 1984.

Olins, W. Corporate identity: The myth and the reality, *Advertising Magazine,* 1979, Summer, 16–21.

Peters, T. J., and Waterman, R. H. *In search of excellence: Lessons from America's best-run companies,* New York, NY: Warner Books, 1982.

Pfeffer, J. Management as symbolic action: The creation and maintenance of organizational paradigms. In L. L. Cummings and B. M. Staw (Eds.), *Research in Organizational Behavior,* Vol. 3, Greenwich, Conn.: JAI Press, 1981.

Raspa, R. Creating Fictions in the Committee: The Emergence of the Saturn Corporation at General Motors, Paper presented at the SCOS Conference, Antibes, 1985.

Schneider, S. Ma Bell Company, Paper presented at the SCOS Conference, Antibes, 1985.

Schneider, S. C., and Powley, E. The Role of Images in Changing Corporate Culture: The Case of AT&T, Paper presented at the SCOS Conference, Antibes, 1985.

Schultz, T. W. *Economic analysis of investment in education.* Washington, D.C.: National Institute of Education, 1978.

Seiler, J. A. Architecture at Work. *Harvard Business Review,* 1984, 62(51), 111–120.

Smith, G. D., and Steadman, L. E. Present value of corporate history. *Harvard Business Review,* 1981, Nov./Dec. 164–173.

Strickler, L. What's in a name. *Best's Review,* 1983, 84(6), 22–25.

Vaill, P. B. The purposing of high performing systems. *Organization Dynamics,* 1982, 11(2), 23–39.

Weick, K. E. The Utrecht jazz orchestra. *Administrative Science Quarterly.*

Wilkins, A. Organizational Stories as an Expression of Management Philosophy: Implications for Social Control in Organizations, Unpublished PhD Dissertation, Stanford, 1978.

Wilkins, A. L. Organizational stories as symbols which control the organization. In L. R. Pondy et al. (Eds.), *Organizational Symbolism,* Greenwich, Conn: JAI Press, 1983.

Witkin, W. R., and Berg, P. O. Organization Symbolling: Toward a Theory of Action in Organizations, Research Paper presented at the First International Conference on Organizational Symbolism and Corporate Culture, Lund, Sweden, 1984.