

## THE CULT[URE] OF THE CUSTOMER

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### ABSTRACT

Much organizational restructuring, at least in the UK and USA, seeks to replace organizational regulation by that of the market. These developments centre around an emphasis on relations with customers – the ‘sovereign consumer’ – as a paradigm for effective forms of organizational relations; they are apparent in, and underpin, a wide variety of organizational developments: just-in-time, total quality management, culture change programmes.

Understanding these developments requires consideration of the discourse of enterprise of which the culture of the (internal) customer constitutes a key element. Defining internal organizational relations ‘as if’ they were customer/supplier relations means replacing bureaucratic regulation and stability with the constant uncertainties of the market, and thus requiring enterprise from employees. This discourse has fundamental implications for management attempts to define working practices and relations and, ultimately, has impact on the conduct and identities of employees.

Understanding these developments is not possible if analysis remains at the level of the organization. It requires that organizational restructurings, and the discourse which supports them, be located within the social and political rationality of enterprise. The certainties of management, the conviction that environmental challenge and competitive threat must be met by the cult[ure] of the customer, are due to managements’ largely unquestioned acceptance of the normality and perceived good sense of the discourse of enterprise.

### INTRODUCTION

In this article we explore the nature, origins and consequences of a major aspect of current managerial thinking and theorizing about the structure and direction of work organization and the employment and governance of staff. Our subject matter is the managerial attempt to reconstruct work organizations in ways which are defined as characteristically commercial and customer focused. A fundamental aspect of managerial attempts to achieve this

reconstruction involves the re-imagination of the organization. Frequently this means the supplanting of bureaucratic principles by market relations.

In this first section we describe some of the major initiatives in work and organizational redesign which explicitly or covertly centre around the managerial attempt to restructure organizational systems and relationships in terms of market relation. These restructuring programmes are located in the context of key environmental developments, also outlined in this first section.

However we do not argue that the supplanting of bureaucratic structures and relationships by market relations ('the sovereign consumer') is causally *determined* by environmental developments. The restructuring of work and work relations is as much supported by the discourse of enterprise (within and without the employing organization) as it is determined by environmental pressures. What we find currently is the coming together of environmental challenges, many of which are defined in terms of the imperative of fundamental organizational restructuring and the dominance of a discourse of enterprise. The most obvious location for the conjuncture of these two elements is in the 'excellence' literature.

Section two thus moves beyond developments in and at work to an analysis of the language which informs and supports these developments: the language of enterprise. In this section this discourse is addressed at the level of the corporation, and the corporation's customers, with particular attention being paid to the construction and redefinition of employees. In the third section we examine the role this discourse plays in reimagining the 'social' and the 'political' in contemporary Britain. One of the key arguments is the importance of mapping the resonances between the levels and spheres represented by the three constituent sections of the article. The article moves progressively through these three levels and offers an attempt to trace these connections.

#### 'CLOSE TO THE CUSTOMER'

Current emphasis on the customer as a means of analysing and defining work performance and work relations represents a highly significant addition to management attempts to understand and explain the nature of the enterprise. We shall argue that the notion of the customer is fundamental to current management paradigms. Recent emphasis on a clearly defined notion of the customer as representing the key dynamic of market relations has become a central feature of work reorganization, and critically, of attempts by managers and their advisers to delineate and intervene into the organization of paid work.

We must start with a brief overview of the environmental developments which supply the justification for enormous emphasis on the consumer, whereby 'meeting the demands of the "sovereign" consumer becomes the new and overriding institutional imperative' (Keat and Abercrombie, 1991, p. 3). We shall find that one of many advantages of the emphasis on the customer as a method of understanding and directing organizational change is that it allows a conflation of external developments and pressures (the market) and

internal relationships and strategies whereby both can be conceptualized in the same terms as if they were the same phenomenon, that is, in terms of a discourse of enterprise.

Many researchers have identified a cluster of related environmental developments which put pressure upon organizations to find new ways of enhancing their competitiveness and their market share: 'increased competition from foreign industry, a more quality-conscious consumer population, rapidly changing product markets, deregulation and new technologies' (Fuller and Smith, 1991, p. 1). Most important of these developments is the increasing differentiation of demand.

The fragmentation and differentiation of demand for goods and services is a conspicuous and widely accepted feature of modern Western economic life. 'The changing nature of product markets is a significant determinant of contemporary economic restructuring' (Hill, 1991, p. 397). 'Neo-Fordism arose out of "new constraints on the realization of value" stemming from the growth of product market variability (Smith, 1989, p. 209).

The differentiation of markets as a consequence of a change in consumer values and behaviour, is frequently seen as a result of the successes of Fordism itself:

To the extent that consumers demand a particular good in order to distinguish themselves from those who do not have it, the good becomes less appealing as more of it is sold. Consumers will be increasingly willing to pay a premium for a variant of the good whose possession sets it off from the mass; and as the number of variants competing for attention and encouraging further differentiation of tastes increases, it becomes harder and harder to consolidate production of a standard product (Sabel, 1983, p. 199).

Sabel, like many other writers, argues that if firms are to meet this challenge they must develop new ways of working which encourage innovation, flexibility and customer responsiveness.

This view of shifts in the nature of consumer demand is supported by analyses of consumption which stress its insatiability and striving for novelty. Consumption occurs in anticipation of actual use or consumption, for reality brings anti-climax: 'consumption is dynamic, for disillusionment (and moving on) is the necessary concomitant of the acquisition of goods that have been longed for in fantasy' (Abercrombie, 1991, p. 178).

Furthermore, as Abercrombie notes, the current consumer/customer is also active, enterprising: searching, innovating, forcing change and movement upon producers in marked contrast to the passive, easily pleased customer of Fordism.

These pressures, particularly the differentiation of demand, have forced change on work organizations. Radical organizational change in response to these pressures is becoming the norm. Recent surveys in the UK by Thompson *et al.* (1985) and in the USA by Severance and Passino (1986) chart the frequency and scope of organizational change. Thompson *et al.* surveyed 1000 middle and senior managers in 190 organizations, and explored changes since

1979. Thirty-three per cent of respondents reported radical change; 56 per cent acknowledging some change. Key factors influencing these changes were recession and changing markets. Sisson identifies two common strategies used to cope with these pressures. The first is the more productive and profitable use of the organization's assets through more thorough knowledge of costs and margins – asset management: 'shifting the firm's capital away from the high-cost/low-profit businesses to those that are more profitable' (Sisson, 1989, p. 23). The alternative approach, more important here, is the attempt to improve the value-added by each employee. The study by Severance and Passino (1986, p. 1) concludes that the dominant strategy has been one of dramatic quality improvements allied to cost reduction achieved through reduced inventories, and Hendry *et al.* (1988) describe a set of generic strategic responses to environmental change: competitive restructuring coupled with quality improvement and new concepts of service and quality provision.

Central to these quality-focused strategies is an explicit emphasis on the customer, and on establishing a close and direct relationship between organization and customer, and between elements of the organization *as if* these were customer/supplier relations. The value placed on the customer in current programmes of organizational change represents an attempt to recreate within the organization types of relationship which normally occur on the interface of the organization with its customers.

References to the consumer, and uses of the customer in management analysis offer ways of understanding the organization, and based on these understandings, ways of reconstructing it. This emphasis is usually closely related to changes in market – *i.e.* customer – behaviour. And these changes are frequently conceptualized in terms of the differentiation of markets.

That demand is now highly differentiated, with consumers being both knowledgeable, and *demanding* is not simply an important *fact* of modern economic life, it is, more significantly, an important *idea* in modern economic life which plays a critical role in attempts to restructure organizations. Smith remarks that the new, radical consumers, by their good 'taste' are restructuring workers' lives in capitalist labour processes. 'Sabel warns us of the purchasing power of yuppie shoppers "do not forget all those fashion, health and quality conscious consumers who, quite independently of foreign competition, are unsettling the manufacture of everything, from shirts to bread"' (Smith, 1989, p. 213).

Current restructuring within organizations involves considerable emphasis on enterprise within the organization, and this emphasis is closely related to achieving customer focus. The expression 'customer' has displaced other ways of describing those who are served by the organization. Those who travel by British Rail are no longer passengers; they are customers. The term has become paradigmatic, and represents a major shift in the ways in which the purpose and structure of work organizations is defined. However, the idea of the paradigmatic customer depends upon, and closely relates to, other arguments and developments.

First, it assumes 'an actual or at least achievable relationship between the conduct of commercial enterprises in a free market economy and the display

of enterprising characteristics by those involved in the process of production' (Keat and Abercrombie, 1991, p. 6). That is, it is possible and desirable to reproduce, within the organization, relationships which resemble those between the organization and its clients. In this way, current emphasis on customer-focused behaviour and relationships relates directly to attempts to restructure work.

Secondly, managerial emphasis on the significance of the customer assumes 'a high degree of control over what is produced being exercised by the freely made choices of "sovereign" consumers' (Keat and Abercrombie, 1991, p. 7). This overlooks the extent to which consumers' preferences are generated and structured by the producers themselves.

Nevertheless, although there is evidence that this emphasis on customer sovereignty is exaggerated, there is no doubt that managerial representations of the customer as a means of restructuring organizations, and of influencing employees' behaviour and attitudes, are of real importance.

The importance of managerial discussions of the paradigmatic sovereign consumer lies in the ways in which this idea and its associated language and assumptions relates to current programmes of organizational change. These programmes focus on the redesign of organizational structures, work structures and practices. The common element of these programmes is that they argue the need to impose the model of the customer-supplier relationship on internal organizational relations, so departments now behave as if they were actors in a market, workers treat each other as if they were customers, and customers are treated as if they were managers.

Chandler (1977) and Williamson (1975) have both argued that the large corporation developed because the

co-ordination of collective action can be conducted more efficiently and cheaply by means of an administrative hierarchy than by transactions in the market place. Thus under pressure of competition many firms have engaged in vertical integration. Moreover, at least according to Chandler, the larger the throughput of business down the vertically integrated chain the greater does the advantage of hierarchy over the market show up (Francis, 1983, p. 105).

This traditional view of the merits of bureaucratic structures is entirely opposed by the current language of the sovereign consumer; for this asserts that in order to compete successfully against competitor suppliers, and to achieve adequate profit margins, organizations must be able to satisfy customers. And in order to do this, internal organizational relations must resemble – indeed even become, market relations. Thus, in a curious inversion of what was for many years the received wisdom, that the inadequacies of the market should be ameliorated by the bureaucratic method of controlling transactions, market co-ordination is imposed on administrative co-ordination. 'A central feature of current attempts to construct "an enterprise culture" in Britain has been a series of institutional reforms designed to introduce market principles and commercially modelled forms of organization into a wide range of activities previously conducted upon different principles' (Keat, 1990, p. 216).

Thus a major thrust of current programmes of organizational change is to replace management hierarchical control with simulated market control: divisions, regions, become quasi-firms, and transactions between them become those of customer or supplier or even competitor. Corporations are decentralized into a number of semi-autonomous business units or profit centres, each of which is required to achieve a given level of financial contribution to head office. This policy is seen to remove obstructive and expensive bureaucratic controls; liberate innate entrepreneurship and to make local management '... more sensitive to the satisfaction of product market requirements in order to meet ... performance targets' (Hill, 1991, p. 402). It is argued that by this means, sub-unit goals will necessarily become clearer, as each sub-unit pursues its own self interest within the context of head office policy and financial constraints.

This form of organizational restructuring is not confined to those organizations which literally operate within a clearly defined market; it is also apparent within the public sector – the National Health Service and local authorities – where the notion of a market, and of customers exercising choice is not an obvious one. In these cases the imposition (or creation) of customer sovereignty is forced through central government legislation requiring competitive tendering of services previously supplied by hierarchies, not markets; by service level agreements between separate functional specialities or by patients' charters. The interesting point here is the way in which the emphasis on the sovereign consumer as a method of restructuring organizations gains a further level of reality and conviction by becoming enshrined in legislation covering those organizations which are furthest removed from market and consumer pressures. Paradoxically, we thus find that the adaptation of market relations and structures in organizations is frequently a result of formal, centralized and bureaucratic compulsion.

Another important area where management conceptions of the value of customer-type relations have been pervasively applied is in the sphere of work restructuring. Many writers have argued the connection between the emergence of differentiated markets and post-Fordist forms of work organization, with greater choice and variety of consumption being related to flexible work forms, and classic Fordist economic structures (mass production) being inherently tied to mass consumption. 'The changing nature of product markets is a significant determinant of contemporary economics restructuring' (Hill, 1991, p. 397). While it remains true that the link between market developments and changes in work organization requires empirical examination (Smith, 1989, p. 212), it is possible to trace more direct and detailed connections between new work forms and management emphasis on the customer as a paradigm of internal organizational relationships. Two key mechanisms of work restructuring both frequently associated with work (functional) flexibility programmes, total quality management (TQM) and just-in-time (JIT) systems, both require the redefinition of the relationship between workers in terms of the customer model: workers become each others' customers.

In the case of TQM, quality is defined initially in terms of conformance to the requirements of the customer, but more significantly, relations between

workers and departments are also defined in these terms – as internal customers: 'An organizational unit receives inputs from the previous process and transforms these to produce outputs for the next. . . . As a "customer", a unit should expect conformance to its own requirements, while as a supplier it has an obligation to conform to the requirements of others' (Hill, 1991, p. 400). Quality management theory argues that exposure to customer pressure (even when this is simulated within the organization) is a powerful and necessary pressure for enhanced quality – *i.e.* the pressure to satisfy the customer.

JIT systems encapsulate three forms of flexibility (Sayer, 1986): flexibility of skills, flexibility of response to cope with variations in the quantity of output, and flexibility to respond to technological and product changes (Dawson and Webb, 1989, p. 222). All three forms of flexibility are necessary to cope with the basic principle of JIT: that stocks are reduced to such an extent that each worker (or team or department) in a sequence of interdependent operations receives the necessary assembly just in time, and to acceptable quality standards. He or she then passes the assembly on to the next operator, and so on. The 'essence of the JIT system is that work is done only when needed' (Sayer, 1986, p. 233). The system is inherently customer-dependent. First, production is now determined not by an established pace of work but by customer demand, and customer quality requirements; secondly, relations between operators in a JIT system are defined as essentially analogous to relations between a series of internal customers. Work control is achieved through workers controlling each other in the guise of customers (Fuller and Smith, 1991).

The third way in which the language of the paradigmatic customer is focused and applied in work restructuring occurs when customers – as constructed by management through customer survey technologies – are made to exert control over employees. We have seen that organizational departments may be defined *as if* customers, and work-colleagues relate to each other as customers. Now, in the case of service industries with significant employee/customer interaction, customers are made to function in the role of management. In this sector, customer satisfaction is now defined as critical to competitive success, because of its importance in achieving high levels of customer retention. Quality is thus defined as usual, in terms of giving customers what they want, yet at the same time traditional methods of control (*i.e.* bureaucratic control) are too overtly oppressive, too alienating and too inflexible to encourage employees to behave in the subtle ways which customers define as indicating quality service, many of which – subtleties of facial expression, nuances of verbal tone, or type of eye-contact – are difficult to enforce through rules, particularly when the employee is out of sight of any supervisor.

This is not to argue that these forms of employee control are any less oppressive. They are simply oppressive in new ways: by stipulating behavioural standards, installing new technologies of surveillance (such as consumer reports, 'professional' customers and random staff visits) associated with attempts to define and structure employees' subjective meanings and identities.

Furthermore, bureaucratic control may achieve compliance with the letter of the regulation but may also allow the minimal performance standard to become the norm, and to stifle individual spontaneity and responsiveness. The 'solution' is to seek to change behaviour, values and attitudes through culture change rather than structural change, and to measure the success of these programmes through customer feedback. It is of course possible to see the use of elaborate and sophisticated customer feedback data as a method of measuring monitoring and ultimately managing service employees as a new solution to a traditional managerial dilemma: achieving sufficient control and direction without destroying the very behaviour that is required. (Fuller and Smith, 1991, document this aspect of the managerial use of customer feedback very thoroughly.) But our interest in this is less in the development of new managerial forms of control, and more in the ways in which the language of the sovereign customer is increasingly embedded in a wide-ranging series of organizational structures, practices and technologies.

In the following section we describe and analyse this language in terms of a consideration of the discourse of enterprise. This discourse both sustains and is supported by the restructuring initiatives described earlier. The discourse of enterprise allows a timely and elegant mode of understanding and responding to the pressures of environmental challenge and market differentiation on the one hand and the accepted need for organizational restructuring on the other.

#### THE ENTERPRISING CULT[URE] OF THE CUSTOMER

If bureaucratic and Taylorist forms of administration are intimately linked to the process of differentiation, then governing organizational life in an enterprising manner is intricately bound up with the process of de-differentiation: with a pronounced blurring between the spheres of 'production' and 'consumption', the 'corporate' and 'culture' (Jameson, 1990; Lash, 1988). As the language of 'the market' becomes the only valid vocabulary of moral and social calculation, 'civic culture' gradually becomes 'consumer culture', with citizens reconceptualized as enterprising 'sovereign consumers'.

In the public sector, for example, as a number of commentators have argued (Edgar, 1991; Hall, 1991), there can hardly be a school, hospital, social services department, university or college in the UK that has not in some way become permeated by the language of enterprise. Enterprise has remorselessly reconceptualized and remodelled almost everything in its path. Ostensibly different 'spheres of existence' have fallen prey to its 'totalizing' and 'individualizing' economic rationality (Foucault, 1988b; Gorz, 1989) – from the hospital to the railway station, from the classroom to the museum, the nation finds itself translated. 'Patients', 'parents', 'passengers' and 'pupils' are reimagined as 'customers'.

While this process of relabelling may appear as a totalitarian attack on diversity and difference it is never conceived of or represented as such. Rather, the enterprising customer-consumer is imagined as an empowered human being – the moral centre of the enterprising universe. Within the



discourse of enterprise customers/consumers are constituted as autonomous, self-regulating and self-actualizing individual actors, seeking to maximize the worth of their existence to themselves through personalized acts of choice in a world of goods and services.

As a wide range of public institutions and services are remodelled along the lines of the private business enterprise their survival and future success becomes increasingly dependent upon their ability to be 'market driven' and 'customer led'. For example, in a 1985 speech entitled 'Towards a Consumer Oriented V&A', Sir Roy Strong, then Director of the Victoria and Albert Museum in London, argued that if the V&A were to survive and prosper it would have to learn some lessons from the private sector and tune itself more to the logic of the market. If the museum were able to reorient itself accordingly, Sir Roy had no doubt that 'it could become the Laura Ashley of the 1990s'.

While the enterprising language of the customer structures political debate, providing the rationale for programmes of intervention and rectification in the public domain – such as the delivery of health care, the provision of local government services and the delivery of education – it is also linked to a transformation in programmes and technologies for regulating the internal world of the business enterprise. In other words, although private enterprise provides the model for the reconstruction of social relations in the public domain, this does not mean that there are not varying degrees of enterprising enterprise.

#### ENTERPRISING ENTERPRISES

Within the discourse of enterprise, private sector corporations are not considered to be inherently enterprising. Certainly the free market system provides the inherently virtuous model through which all forms of social relation should be structured, but in order to guarantee that maximum benefits accrue from the workings of this intrinsically virtuous system it is the moral obligation of each and every commercial organization, and each and every member of such an organization, to become obsessed with 'staying close to the customer' and thus with achieving 'continuous business improvement'. To put it simply: commercial organizations must continually struggle to become ever more enterprising. Thus the discourse of enterprise also envisages a new type of rule and imagines new ways for people to conduct themselves within the private business enterprise, as well as in public sector institutions.

The notion of 'Total Customer Responsiveness' (Peters, 1987), in this sense, appears as both symptom of, and answer to, the problems thrown up by the increasingly dislocated ground upon which globalized capitalism operates. The more dislocated the ground upon which business organizations must operate, the less they are able to rely upon a framework of stable social and political relations and the more they are forced to engage in a project of 'hegemonic construction' (Laclau, 1990, p. 56). In other words, the effects of dislocation require constant 'creativity' and the continuous construction of collective operational spaces that rest less and less on inherited objective

forms (bureaucracy) and more frequently on cultural reconstruction. The only way to 'run a tight ship' in the inherently 'chaotic' global economy, it is argued, is through 're-enchanting' the work organization around the figure of the 'customer':

the focus on the outside, the external perspective, the attention to the -customers, is one of the tightest properties of all . . . it is perhaps the most stringent means of self-discipline. If one really is paying attention to what the customer is saying, being blown in the wind by the customer's demands, one may be sure he (sic) is sailing a tight ship (Peters and Waterman, 1982, p. 32).

Reimagining the corporation through the culture of the customer means encouraging organizations and their participants to become more enterprising. In this sense enterprise refers to a series of techniques for restructuring the internal world of the organization along 'market' lines in order to anticipate and satisfy the needs and desires of the enterprising sovereign consumer, and thus ensure business success. Through the medium of various technologies and practices inscribed with the presuppositions of the 'enterprising self' – techniques for reducing dependency by reorganizing management structures ('de-layering'); for cutting across internal organizational boundaries (the creation of 'special project teams', for example); for encouraging internal competitiveness through small group working; and for eliciting individual accountability and responsibility through peer-review and appraisal schemes – the internal world of the business organization is reconceptualized as one in which customers' demands and desires are satisfied, productivity enhanced, quality assured, innovation fostered, and flexibility guaranteed through the active engagement of the self-fulfilling impulses of all the organization's members.

Through the discourse of enterprise, the relations between 'production' and 'consumption', between the 'inside' and 'outside' of the corporation, and crucially between work and non-work based identities, are progressively blurred (Sabel, 1990). Operating with a unitary frame of reference, enterprise projects the vision of a cohesive but inherently flexible organization where an organic complementarity is established between the 'greatest possible realization of the intrinsic abilities of individuals at work' and the 'optimum productivity and profitability of the corporation'. In this vision the 'no win' scenario associated with a mechanistic, bureaucratic lack of enterprise is transformed into a permanent 'win/win' situation' through the active development of a flexible, creative and organic entrepreneurialism (Kanter, 1990; Pascale, 1991; Pinchot, 1985). Enterprising corporations are those in which 'customer relations' mirror 'employee relations', where 'staying close to the customer' means gaining 'productivity through people' (Peters and Waterman, 1982, p. 166).

As the CBI (1988, p. 5) argues, enterprising enterprises are those which increasingly turn:

to the people who work for them to develop . . . competitive advantage. The winners are those who can organise and motivate their people at all levels

so that they give willingly their ideas, their initiative and their commitment to the continuous improvement that winning requires. . . . And it is up to those people as individuals to make the difference. They can no longer be treated as part of the collective mass . . . people want to do a good job, to have opportunities for self development, to contribute their thoughts as well as their physical skills to the teams and firms for which they work, and to be recognised and rewarded for their whole contribution.

Governing the business organization in an enterprising manner is therefore said to involve 'empowering', 'responsibilizing' and 'enabling' all members of that organization to 'add value' – both to the company for which they work and to themselves. 'Total customer responsiveness' inaugurates a 'new form of control – self control born of the involvement and ownership that follows from, among other things, training people . . . to take on many traditionally supervisory roles. Being fully responsible for results will concentrate the mind more effectively than any out of touch cop' (Peters, 1987, p. 363).

In this way the government of the enterprising firm can be seen to operate through the 'soul' (Foucault, 1988a) of the individual employee. These firms get the most out of their employees by harnessing 'the psychological strivings of individuals for autonomy and creativity and channelling them into the search for 'total customer responsiveness', 'excellence' and success. Enterprising companies 'make meaning for people' by encouraging them to believe that they have control over their own lives; that no matter what position they may hold within an organization their contribution is vital, not only to the success of the company but to the enterprise of their own lives. Peters and Waterman (1982, p. 76, 81), for example, quote approvingly Nietzsche's axiom that 'he who has a why to live for can bear almost any how'. They argue that 'the fact . . . that we think we have a bit more discretion leads to much greater commitment'. The enterprising firm is therefore one that engages in controlled de-control. To govern the corporation in an enterprising fashion is to 'totalize' and 'individualize' (Foucault, 1988b) at one and the same time; or, to deploy Peters and Waterman's (1982, p. 318) terminology, to be 'simultaneously loose and tight' – 'organizations that live by the loose/tight principle are on the one hand rigidly controlled, yet at the same time allow, indeed, insist on, autonomy, entrepreneurship, and innovation from the rank and file'.

The key to 'loose/tight' is culture. According to Peters and Waterman, the effective management of meanings, beliefs and values (which accompanies the increasing 'capitalization' of all areas of human activity) can transform an apparent contradiction – between increasing central control while extending individual autonomy and responsibility – into 'no contradiction at all'. If an organization has an appropriate 'culture' of enterprise, if all its members adopt an enterprising relation to self, then efficiency, economy, autonomy, quality and innovation all 'become words that belong on the same side of the coin' (Peters and Waterman, 1982, p. 321).

At truly enterprising companies:

cost and efficiency, over the long run, follow on from the emphasis on quality, service, innovativeness, result-sharing, participation, excitement

and an external problem-solving focus that is tailored to the customer. . . . Quite simply these companies are simultaneously externally focused and internally focused – externally in that they are driven by the desire to provide service, quality and innovative problem-solving in support of their customers, internally in that quality control, for example, is put on the back of the individual line worker, not primarily in the lap of the quality control department. Service standards are likewise largely self-monitored. . . . This constitutes the crucial internal focus: the focus on people. . . . By offering meaning as well as money, they give their employees a mission as well as a sense of feeling great. Every man [sic] becomes a pioneer, an experimenter, a leader. The institution provides the guiding belief and creates a sense of excitement, a sense of being part of the best (Peters and Waterman, 1982, pp. 321–3).

Although the resource to ‘culture’ by Peters and Waterman and other proponents of enterprise is often criticized within the social sciences for its ‘remarkable vagueness’ (Howard, 1985), these ‘cultural intermediaries’ of enterprise are quite adamant that ‘the aesthetic and moral vision’ driving the enterprising organization from above only finds life ‘in details, not broad strokes’ (Peters, 1987, p. 404). In other words, the ‘culture’ of the business enterprise is only operationalized through particular practices and technologies – through ‘specific measures’ (Hunter, 1987) – which are linked together in a relatively systematic way.

Rather than being some vague, incalculable ‘spirit’, the culture of enterprise is inscribed into a variety of mechanisms, such as application forms, recruitment ‘auditions’, and communication groups, through which senior management in enterprising companies seek to delineate, normalize and instrumentalize the conduct of persons in order to achieve the ends they postulate as desirable. Thus governing the business organization in an enterprising manner involves cultivating enterprising subjects – autonomous, self-regulating, productive, responsible individuals – through the development of simultaneous loose/tight ‘enabling and empowering vision’ articulated in the everyday practices of the organization.

The discourse of enterprise brooks no opposition between the mode of self-presentation required of managers and employees, and the ethics of the personal self. Becoming a better worker is represented as the same thing as becoming a more virtuous person, a better self. In other words, under the regime of enterprise, technologies of power – ‘Which determine the conduct of individuals and submit them to certain ends or domination, an objectivizing of the subject’ – and technologies of the self – ‘which permit individuals to effect by their own means or with the help of others, a certain number of operations over their own bodies and souls, thoughts, conduct, and way of being, so as to transform themselves in order to attain a certain state of happiness, purity, wisdom, perfection or immortality’ – are imperceptibly merged (Foucault, 1988a, p. 18). The values of self-realization, of personal responsibility, of ‘ownership’, accountability and self-management are both personally attractive and economically desirable (Hollway, 1991; Miller and Rose, 1990).

This 'autonomization' and 'responsibilization' of the self, the instilling of a reflexive self-monitoring which will afford self-knowledge and therefore self-mastery, makes paid work, no matter how ostensibly 'deskilled' or 'degraded' it may appear to social scientists, an essential element in the path to self-fulfilment, and provides the reasoning that links together work and non-work life. The employee, just as much as the sovereign consumer, is represented as an individual in search of meaning and fulfilment, looking to 'add value' in every sphere of existence. Paid work and consumption are just different playing grounds for the same activity; different terrains upon which the enterprising self seeks to master, fulfil and better itself. In making oneself a better sovereign consumer, or a better employee, one becomes a more virtuous and empowered human being.

Through 'capitalizing' the meaning of life, enterprise allows different 'spheres of existence' to be brought into alignment and achieve translatability. The 'rapprochement' of the self-actualization of the individual employee with the competitive advancement of the business organization for which he or she works, for example,

enables an alignment to take place between the technologies of work and the technologies of subjectivity. For the entrepreneurial self, work is no longer necessarily a constraint upon the freedom of the individual to fulfil his or her potential through striving for autonomy, creativity, and responsibility. Work is an essential element in the path to self-realization. There is no longer any barrier between the economic, the psychological and the social. The government of work now passes through the psychological strivings of each and every individual for fulfilment (Miller and Rose, 1990, p. 27).

#### THE DISCOURSE OF 'ENTERPRISE'

Although the discourse of enterprise, and contemporary attempts to create an 'enterprise culture' in the UK, are virtually synonymous with the politico-ethical project of 'Thatcherism' they are not reducible to this phenomenon. Rather, as Robins (1991, p. 25) has indicated, the development of an 'enterprise culture' must be located within the context of increasing globalization. In other words, the project of reconstruction that the notion of an 'enterprise culture' signifies and encapsulates may be seen as one that has its roots in developments outside the will and control of any one national government (Held, 1991). At the same time, this also suggests that the decline of Margaret Thatcher herself in no way heralds an end to the project of enterprise and the cult of the customer. Indeed it can be persuasively argued that the 'entrepreneurial revolution' to which Thatcherism contributed with such passionate brutality is 'still working its way through the system' (Hall, 1991, p. 10).

In Britain attempts to construct a culture of enterprise have proceeded through the progressive enlargement of the territory of the market – of the realm of private enterprise and economic rationality – by a series of redefini-

tions of its object. Thus the task of creating an 'enterprise culture' has involved the reconstruction of a wide range of institutions and activities along the lines of the commercial business organization, with attention focused, in particular, on their orientation towards the customer. At the same time, however, the market has also come to define the sort of relation that an individual should have with him/herself and the 'habits of action' he or she should acquire and exhibit. Enterprise refers here to the 'kind of action, or project' that exhibits 'enterprising' qualities or characteristics on the part of individuals or groups. In this latter sense, an 'enterprise culture' is one in which certain enterprising qualities – such as self-reliance, personal responsibility, boldness and a willingness to take risks in the pursuit of goals – are regarded as human virtues and promoted as such. As Keat (1990, pp. 3–4) has indicated, in the contemporary discourse of enterprise these two strands, the 'structural' and the 'ethical', are intricately interwoven.

On the one hand, the conduct of commercial enterprises is presented as a (indeed the) primary field of activity in which enterprising qualities are displayed. And given that these qualities are themselves regarded as intrinsically desirable ... this serves to valorize engagement in such activities and hence, more generally, the workings of a free market economy. On the other hand, however, it is also claimed that in order to maximize the benefits of this economic system, commercial enterprises must themselves be encouraged to be enterprising, i.e. to act in ways that fully express these qualities. In other words, it seems to be acknowledged that 'enterprises are not inherently enterprising', and enterprising qualities are thus given an instrumental value in relation to the optimal performance of a market economy.

According to Gordon (1991, p. 43), enterprise has become an approach capable, in principle, 'of addressing the totality of human behaviour, and, thus, of envisaging a coherent, purely economic method of programming the totality of governmental action'. In other words, enterprise can be understood to constitute a particular form of 'governmental rationality' (Foucault, 1979). It invents and attempts to exercise a form of rule through the production of certain sorts of human subject.

In the work of neo-liberals such as Friedman and Hayek, for example, the wellbeing of social and political existence is to be established not through the practice of bureaucratic administration but rather through the 'enterprising' activities and choices of autonomous entities – organizations, groups and individuals – operating in the marketplace, each attempting to maximize their 'competitive advantage'. Thus, in an 'enterprise culture' freedom and independence emanate not from civil rights but from choices exercised in the market: 'the sovereignty that matters is not that of the king or the queen, the lord or the white man, but the sovereignty of the consumer in the marketplace' (Corner and Harvey, 1991, p. 11).

No longer simply implying the creation of an independent business venture, enterprise now refers to the application of 'market forces' and 'entrepreneurial principles' to every sphere of human existence. A basic indicator of the way in

which the language of enterprise has traversed its traditional limits is provided by the cultural theorist Judith Williamson in her weekly column in *The Guardian* newspaper. 'What intrigued me', she writes, 'is not only that enterprise now means business, but the fact that ... it can be seen as ... a personal attribute in its own right. The language has colonized our interiors; if you can't speak it you haven't got it!' (*Guardian*, 4 July, 1991, p. 28).

According to Gordon (1987, p. 300), rather than being a travesty of genuine value, as Williamson implies, the pervasive presence of the language of enterprise is indicative of a profound mutation in governmental rationality whereby 'a certain idea of the enterprise of government promotes and capitalizes on a widely disseminated conception of individuality as an enterprise, of the person as an entrepreneur of the self'.

This idea of an individual human life as an 'enterprise of the self' suggests that there is a sense in which, no matter what hand circumstance may have dealt a person, he or she remains always continuously engaged (even if technically 'unemployed', for example) in that one enterprise, and that it is 'part of the continuous business of living to make adequate provision for the preservation, reproduction and reconstruction of one's own human capital' (Gordon, 1991, p. 44). The power of enterprise lies in its apparent universality and in its simplicity, in its ability to offer a standard benchmark by which all of life can be judged. By living one's life as an 'enterprise of the self', modes of existence that often appear to be philosophically opposed – business success and personal growth, for example – can be 'brought into alignment and achieve translatability. Hence the discourse of enterprise establishes links between the 'ways we are governed by others, and the ways we should govern ourselves' (Rose, 1989, pp. 7–8).

Here, enterprise refers to the plethora of 'rules of conduct' for everyday life mentioned earlier: energy, initiative, calculation, self-reliance and personal responsibility. This 'enterprising self' is a calculating self, a self that 'calculates about itself, and that works upon itself in order to better itself'. In other words, enterprise designates a form of rule that is intrinsically ethical – 'good government is to be grounded in the ways in which persons govern themselves' (Rose, 1989, pp. 7–8) – and inherently economic, enterprising self-regulation accords well with Jeremy Bentham's rallying cry of 'Cheap Government!'. Thus enterprise is the contemporary 'care of the self' which government commends as the corrective to collective greed (Foucault, 1988c; Gordon, 1991).

For Miller and Rose (1990, p. 24), the significance of enterprise as a discourse resides in its ability to act as translation device, a cypher 'between the most general *a priori* of political thought', and a range of specific programmes for managing aspects of economic and social existence. Thus, enterprise can be seen to be more than a political rationality, it also takes a technological form: it is inscribed into a variety of often simple mechanisms – contemporary organizational examples could include quality circles, assessment centres, appraisal systems and personality profiling – through which various authorities seek to shape, normalize and instrumentalize the conduct of persons in order to achieve the ends they postulate as desirable. Inscribed with the presuppositions of the 'enterprising self', these technologies accord a priority

to the self-steering and self-actualizing capacities of individuals. In other words, enterprise serves not only to articulate a diversity of programmes for making the world 'work better', but, in addition, it also enables these programmes 'to be translated into a range of technologies to administer individuals and groups in a way . . . consonant with prevailing ethical systems and political mentalities' (Miller and Rose, 1990, p. 24; Rose, 1990).

The discourse of enterprise can be understood, therefore, in terms of the linkages it forges between the 'political', the 'technological' and the 'ethical'. Enterprise acts as a 'nodal point' connecting a powerful critique of contemporary institutional reality, a seemingly coherent design for the radical transformation of social, cultural and economic arrangements, and a 'seductive' ethics of the self (Rose, 1990).

Although the removal of Margaret Thatcher from office quickly spawned talk of a 'post-enterprise culture' and even of a return to 'business as usual', our argument is an attempt to indicate that such views severely underestimate the power and pervasiveness of the discourse of enterprise and the cult of the customer. Certainly, the political atmosphere in the UK has changed very noticeably since Thatcher's departure, but this does not in any way signal the decline and fall of the whole entrepreneurial edifice. Enterprise was always bigger than Thatcherism alone, and has entered peoples' daily lives in a number of ways not directly related to the policy initiatives of successive Conservative administrations. Enterprise has operated on many fronts at the same time, changing the world by rewriting the language, redefining the relation between the public and the private, the corporate and culture. Rather than viewing this process of translation as in some sense a side-show to, or 'ideological distortion' of, the realities of restructuring, it is important to recognize that if an activity or institution is redefined, reimagined or reconceptualized it does not maintain some 'real', 'essential' or 'originary' identity outside of its dominant discursive articulation, but assumes a new identity.

Similarly, it is useful to note that in order for an ideology/discourse to be considered hegemonic it is not necessary for it to be loved. Rather, 'it is merely necessary that it have no serious rival' (Leys, 1990, p. 127). Certainly the discourse of enterprise appears to have no serious rivals today. While critics of enterprise (Jessop *et al.*, 1990) point to people's continued attachment to the welfare state, and to equality rather than 'excellence', in order to highlight their lack of conscious identification with the aims and objectives of enterprise, they tend to forget that the dominance of that discourse is not so much inscribed in people's consciousness as in the practices and technologies to which they are subjected. As Žizek (1989, p. 32; 1991) has argued, people 'know very well how things really are, but still they are doing it as if they did not know'. In other words, even if people do not take enterprise seriously, even if they keep a certain cynical distance from its claims, they are still reproducing it through their involvement in the everyday practices within which enterprise is inscribed.

Thus enterprise should not be viewed as a 'pure' discourse as that term is often (mis)understood – *i.e.* as a combination of speech and writing – but always and only as a dimension of material practices, with material conditions of emergence and effectiveness. While the success of enterprise indicates



that 'articulation is constitutive of all social practice' (Laclau, 1990), it is not the case that 'just anything can be articulated with everything else'. All discourses have conditions of possibility and emergence which put 'limits or constraints on the process of articulation itself' (Hall, 1988, pp. 10–11).

By focusing upon the context within which enterprise emerged, rather than dismissing it out of hand as 'evil', 'philistine' or 'wicked' – in other words, as part of the old capitalist conspiracy – it becomes possible to reveal its contingent nature, and thus the possibility of its transformation. It must be remembered, for example, that the current 'triumph of the entrepreneur' within the public sector is directly related to the crisis of the Keynesian state and its attempts at the social management of the economy. Enterprise may well be the colonization of the public sphere by the market but its ascendance is certainly predicated upon the visible failure of the welfare state's own utopia (Wright, 1987).

The discourse of enterprise deserves much more serious attention than it has tended to receive within the social sciences, especially when reports of its death are so exaggerated. Rather than being a travesty of genuine value, or on its last legs, the continued triumph of the entrepreneur is symptomatic of a 'profound mutation in governmental rationality'. As Rose (1989, p. 14) has argued, the success of neo-liberalism in the UK with its flagship image of an enterprise culture, 'operates within a much more general transformation in "mentalities of government", in which the autonomous, free, choosing self . . . has become central to the moral bases of political arguments from all parts of the political spectrum'. The language of enterprise has established an affinity between the politico-ethical objectives of neo-liberal government in the UK, the economic objectives of contemporary business, and the self-actualizing, self-regulating capacities of human subjects.

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