

Cultural homogenisation is unlikely among the corporations

Interview with Prof. Peter Bamberger

Academy of Management Scholar Peter Bamberger of Tel Aviv University is the president of AOM and previously served as an associate editor of Academy of Management Journal. He is also research director of Cornell University's Smithers Institute and editor-in-chief and a founding associate editor of Academy of Management Discoveries. Bamberger's research focuses include automatic processes in human interaction; pro-social behavior, occupational health psychology, and pay communication. Author of over 100 scholarly journal articles.

RETP: With the advent of new technologies, many people say companies are changing. In the next economic era, do you foresee the rise of more employee-friendly companies, or will high unemployment rates bring us back to the realities of the 1980s and 1990s? What management behaviours are likely to prevail?

Peter Bamberger: Whether management is more or less employee-oriented depends on more than just technological advances. Indeed, twenty years ago, Barley and Kunda published a paper in ASQ demonstrating that, over the prior 100 years, modes of managerial control had predictably fluctuated between more normative and rational approaches in response to long-wave shifts in economic/labour market conditions. Assuming that technological factors combine with labour market conditions to drive shifts in managerial approaches, it's more likely that we'll see a bifurcated approach, with companies adopting a more employee-friendly stance towards scarce workforces (e.g., STEM workers) to attract and retain them. AI will likely enable such workers to avoid more mundane tasks and better leverage their creativity. On the other hand, AI is also likely to commoditise many of those forms of labour that it fails to render anachronistic. While those in anachronistic occupations (e.g., taxi and truck drivers) will be out of a job, those whose work is commoditised will likely be subject to tighter cost controls, performance monitoring, and more precarious work arrangements.

RETP: Emerging factors such as the pursuit of security, artificial intelligence, and robotics are transforming supply chain management. To what extent will corporate organisational cultures converge as a result? Do you already observe signs of this in corporate behaviour? What role do civil society organisations, business associations, and chambers of commerce play in this process? Are there notable regional or cultural differences in how new supply chains are developing?

Peter Bamberger: Although some contemporary trends in supply chain management are driving cultural convergence across enterprises, I deem complete homogenisation to be highly unlikely. To the extent that normative frameworks are influenced by instrumental concerns such as operational demands, some degree of homogenisation can be expected. That is, as AI, robotics, and analytics reshape the way enterprises manage their supply chains, there is likely to be a standard set of isomorphic pressures. These pressures may manifest in the adoption of common cultural artefacts, such as jargon (e.g., “nearshoring”), protocols (e.g., agile), and taken-for-granted decision premises. According to institutional theory, civil society organisations and business associations, as critical drivers of normative pressures, are only likely to reinforce these isomorphic tendencies, with such pressures able, in many cases, to overwhelm the influence of national cultures that often underlie differentiation in corporate culture across firms in a common industry. Still, corporate cultures are influenced by a multitude of factors, including founder ideology and the competing values of key organisational and occupational subcultures. As the latter suggests, culture is often a negotiated order; despite isomorphic pressures, complete homogenisation is unlikely.

RETP: Today, there is much discussion about the knowledge-based economy and cooperation among universities, businesses, and governments. In this context, will universities become more business-like, or will companies take on university-like characteristics? From the perspective of organisational culture, what can each learn from the other?

Peter Bamberger: With universities facing severe funding crises in many countries and tightened immigration controls generating increased competition for a decreasing pool of quality students, schools have little choice but to take a more business-oriented approach to higher education, with the result being that universities are increasingly adopting practices more aligned with commercial enterprises (e.g., strategic planning, branding, and entrepreneurial partnerships). For example, faculty performance metrics at many universities now place greater emphasis on grantsmanship (i.e., success in winning competitive grants). On the other hand, with competitive advantage increasingly based on knowledge sharing and creation, businesses are being forced to adopt the knowledge-creation norms, values, and practices of institutions that, for the past 500 years, have been the drivers of new knowledge: universities. Given the pressures on both universities and knowledge-based enterprises, industry-university partnerships in the form of talent sharing and tech transfer are likely to become increasingly prevalent.

RETP: How is the DEI movement encouraging the development of a new corporate culture?

Peter Bamberger: Despite the current backlash against the DEI movement in the United States, over the last decade, it has had a profound effect on corporate culture worldwide. Some of these effects have been driven by regulatory action, such as the EU pay transparency initiative, which requires enterprises employing over 50 workers to take a more transparent approach to pay communication and employee understanding. Aside from promoting values such as equity in pay and employee opportunity, the movement has also shifted management values away from a preference for secrecy, control and uniformity and towards transparency, reflective accountability, and an openness to paradox as a basis for innovation and agility.

Thank you for the interview
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