

Political Activity in a Family Company: Considerations from metaphor of Gareth Morgan

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Abstract:

Background: One way to understand and analyze organizations is through metaphor of Gareth Morgan. The political metaphor becomes relevant when considering these organizations as spaces formed by people of different values, interests and expectations, which can generate conflicts that need to be resolved. In the case of family companies, conflicts of interest interact with family conflicts, and are evident in succession processes. That said, this article aims to analyze the dynamics of political activity in a family company, considering the interests, conflicts and power between owner and employees.

Materials and Methods: A field research with a qualitative approach and descriptive objective was carried out in a family company that has gone through a succession process. The material was obtained through interviews with the current manager and three employees and analyzed using the Content Analysis technique.

Results: The former manager finds it difficult to leave management exclusively to his son. Both managers try to convey the idea that all employees are a family. But conflicts do exist. In this respect, the time that employees work in the company is the most used source in political activity. However, formal authority remains a major source of power in the organization.

Conclusion: The family company studied can be understood as a political system, whose dynamics involves the former and the current manager, as well as the other employees.

Key Word: Organizational Culture; Policy; Family Company.

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I. INTRODUCTION

The organizations are made up of people with different values, interests and expectations, who together build the organizational culture, understood as shared elements that provide an identity to the members of the organization and to itself. Although everyone participates in this process and has its importance, the founding leader has a lot of influence in the process of forming and sharing the basic values of organizational culture. For this reason, they stay very attached to their points of view, which, over time, end up becoming impractical, requiring change (Schein, 2009). But change is difficult, as leaders have many opportunities to embed their assumptions in various routines in the organization; this involves politics.

Policies can be understood as the means offered by society or organization that allow the reconciliation of differences of interests between individuals, through consultation or negotiation, involving power relations. To explore the dynamics of politics, Morgan (1996) embarks on a systematic analysis that focuses on the relationship between interests, conflicts and power. Organizational policy starts when people have different interests, which makes them think and act differently from one another. All this diversity gives rise to conflicts and tensions that need to be resolved. These resolutions are given by political means, in which there is a negotiation between those involved, using paths that are based on power relations. Power, then, is a way of persuading others to do what they might not have done. Each of the three aspects that relate to the dynamics of politics is detailed.

The first aspect, interests, are a set of predispositions that involve objectives, values, desires, expectations and other orientations and inclinations that lead the person to act in a certain direction, aiming to sustain or improve our personal position. In this way, it can be seen that interests are linked to individual culture. The interests, as shown by Morgan (1996), can be seen under three interconnected domains and related to tasks, career and personal life. Task interests are linked to the work that someone must perform. Career interests are linked to the aspirations and visions of what the future should be. Employees bring their personalities, own attitudes, values, preferences, beliefs and sets of behavior to the workplace with the outside world, allowing these interests outside the organization to configure the way to act both in relation to positions, as to career.

The second aspect, conflicts, appears when divergent interests collide. Despite the natural view of seeing them as a dysfunction of the organization, these coalitions of interests provide important means to guarantee the desired ends. Many organizations use political and planned maneuvers in which systems of competition and collaboration coexist simultaneously. With this, it is clear that the nature of any specific work combines contradictory elements that create various types of paper conflicts. These conflicts can be personal, interpersonal or between rival groups, they can be built within structures, attitudes and stereotypes, or arise due to scarce resources. And the conflict can also be explicit or implicit. But any conflict originates from the disagreement of perceived interests (Morgan, 1996).

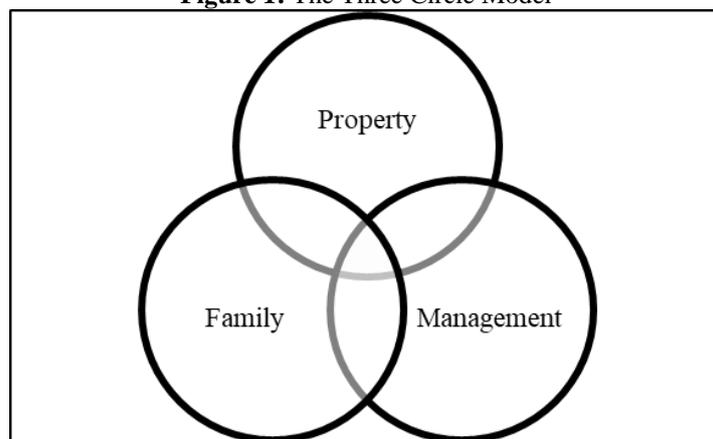
The third aspect is power, the means by which conflicts of interest are resolved. For Morgan (1996), power has been recognized for its importance in explaining organizational issues, showing that power is neither the job nor a specific person, but what people have or can come to own is a source for the exercise of power. That is, whoever has access to these sources will have power, and can be acquired even by employees. Thus, an organization's power structure cannot be summed up by hierarchy alone. People know formal authority, but they do not know that power can come from other sources, from implicit ones, such as symbolism, to more explicit ones, such as sex.

Based on these three aspects, Morgan (1996) described an image of the organization that reflects what is known as a pluralist structure, as it emphasizes the pluralist nature of interests, conflicts and sources of power that portray organizational life. This explored view contrasts with two other views, namely: unicist and radical. These structures have notable relevance for understanding the organizations and ideologies that determine managerial practice. For the understanding and contrast between the three reference structures, Morgan (1996) characterizes each one taking into account their views regarding interests, conflicts and power in organizations.

While in the pluralist view the interests are seen as diverse, the unicist view emphasizes the pursuit of common goals. The radical view places the nature of conflicting classes of interests. Under the aspect of conflicts, the pluralist view considers it as an inherent and inevitable characteristic of organizational activities. The unicist view believes that conflict is rare and the radical view sees it as the broadest class struggle that can change the social structure. As for power, pluralists believe that in the organization there are a plurality of people with power obtained from various sources. Unicists ignore the role of power in organizational life and the radical believes that power is unevenly distributed and that it follows the division of classes (Morgan, 1996).

Morgan's organizational metaphor (1996) helps to understand the political dynamics in companies. In the case of family companies, Gersick et al. (1997) proposed the Three Circle Model, which describes the family company system with three independent but interconnected subsystems, which are: management, property, and the family, as shown in Figure 1.

Figure 1: The Three Circle Model



Source: Gersick et al. (1997).

The members of each subsystem have specific interests, which may converge with the others or diverge from them throughout their existence. When the interests of all employees are convergent, there is a situation of stability and cooperation. However, when interests are divergent and contradictory, they give rise to conflicts in the family company. In a family company, conflicts can also be perceived in the succession process they go through, as this process always involves the transfer of power (Gersick et al., 1997).

In this way, the succession process of a family company becomes a peculiar aspect that deserves to be highlighted in the discussion. As shown by Silva Jr. & Muniz (2006), family companies have great difficulty in the succession process, being a phase characterized by the existence of a complex relationship between employees, as well as the high degree of conflict of interest between members company and family members.

These conflicts, as shown by Estol& Ferreira (2006), are linked to the great participation of the family in the direction and management of companies, as there is a certain difficulty in separating family relationships from professional decisions. However, the succession process leads to the emergence of new leaders who sometimes present new symbolic patterns, beliefs and values that are different from those that were in force in the organization, causing changes in the political style of the negotiations, in the structure of the company and, consequently, in your culture.

In view of this presented literature, the objective of the present study is to analyze the dynamics of political activity in a family company, considering the interests, conflicts and the power between owner and employees.

II. MATERIAL AND METHODS

This research has a qualitative approach, with a descriptive purpose and carries out a field study (Andrade, 1999; Vergara, 2005; Creswell, 2010) in a family company. This company was chosen for convenience and intentionally, given the ease of research, since it is located in the same city where the researchers live, in addition to the previous knowledge that it had gone through a succession process in its management.

The “Small Family Company”, a fictitious name given to the company studied, has been operating for decades in the city of Uberlândia, Minas Gerais, Brazil, with the resale of agricultural equipment. The company is characterized as family owned by the fact that ownership and management are in the hands of a single family.

The empirical material was obtained through semi-structured interviews with three employees and the current manager, who is the son of the founder and former manager. These interviews took place in 2011, months after the succession process. However, in 2020, an employee, in an informal conversation, told the researchers about the possibility of closing the company's activities, since the current manager wants to dedicate himself to another career in the public sector. Due to the coronavirus pandemic, it was not possible to formalize the interviews, and we chose not to explore this issue in this article. All respondents were asked to sign a consent form to participate in the research, in compliance with the ethical principles of research with human beings. In addition, when presenting excerpts from the interviews, the participants were identified by a code, as shown in Table 1.

Table 1: Codification of research participants

Code	Interviewee	Gender	Working time in the company (until 2011)
M1	Manager	Man	3 years
E1	Employee	Woman	9 years
E2	Employee	Woman	7 years
E3	Employee	Woman	5 years

Source: prepared by the authors.

For the analysis of the interviews, opted to analyze the speeches using the Content Analysis technique, by Bardin (2011), whose categories were based on the metaphor of Gareth Morgan (1996), focusing on understanding the policy and the sources and use of power.

III. RESULT

In the “Small Family Company”, the succession process was something that came from the interest of the founder.

My father had already talked about the subject, but he didn't expect it to happen anytime soon, since he is still able to manage the family company (M1).

Despite being the choice of father, this one still has great influence on the company's decision making, which ends up generating conflicts between them. According to the current manager, during the succession process there were several conflicts that, somehow, hindered the company's progress. He believes that these conflicts were due to the difference in values that different generations have, as they grew up in different contexts. Conflicts still persist, and some negotiation between the two is necessary on a daily basis regarding which decision to make.

As for the vision of the organization that his father had and the vision that the current manager has of the organization now that he took over management, he told us that his father saw all employees as part of the family, in which everyone contributed to organizational success, having all have a harmonious coexistence in the work environment. And this is also his vision, but that is not always a harmonious coexistence.

Here we are all as a family. But sometimes I and some employees have already argued for such small issues (M1).

He said that this is the price you pay when you have a more intimate relationship with employees, as they end up not having enough respect with the boss. The current manager reinforces the comparison of the organization as a family, saying that they also have disagreements, and with organizations they would not be different. However, as he says, these disagreements cannot hinder the organization's progress and, for that, these disagreements need to be resolved as soon as possible, as something essential to the organization.

The employees interviewed also mentioned the harmonious coexistence, however they do not understand the company as a family.

We get along, but it's not a family. Family involves informal relationships that are not always possible in an organization (E3).

As for political activity in the family company, the current manager stated that in his company there is no policy, as the policy is present in organizations that are facing some type of crisis.

Politics is a dysfunctional way of solving problems present in large organizations, in which those involved do not think about meeting the organization's objectives, but their own objectives, using dubious and perhaps even illegal ways. In a small company, as mine is, there are no policies, because employees, who make up a large family, always want the best for the organization they help to develop (M1).

The interviewed employees have the same understanding as the current policy manager.

I think politics is the means used by people as a way to deceive others, trying to hide something that will harm themselves in the future. I don't think the company has employees who want to deceive others (E1).

No. There is no policy... This damages relationships, coexistence (E2).

They cite, however, that there are situations in which employees seek to get time off or some other benefit, and this causes some conflicts between them.

Finally, as for power and its sources, the current manager said that in the company there are few times that it is necessary to use power to resolve conflicts that rarely appear. He believes that, like politics, power can be somewhat dysfunctional in an organization if it is not used only when necessary.

In a small company, where everyone helps and collaborates for organizational success, power can hinder this spirit of collaboration (M1).

For the interviewees, employees try to rely on formal authority, that is, the authority of the manager, convincing them to meet their particular interests.

Employees who have been with the company for a long time also have power over the task performed, which makes management dependent on these employees. Sometimes, as she tells us, management itself consults with employees who perform a function that is related to the decision to be taken, especially now in the succession process that is present in the company (E3).

IV. DISCUSSION

The political dynamics in the "Small Family Company" can be observed in the succession process, when, through the interview, the current manager indicates the differences in values and thoughts between him and his father, the former manager. This distinction of values, accompanied by the distinction between generations, led to conflicts that required negotiation between those involved, that is, they were reconciled by political means. Another point that stands out is that these conflicts may also have originated in family life, and that they end up having continuity in organizational life, since there is no distinction between company and family, that is, both are related, as if one were continuity of the other.

It was found that both managers try to convey the idea that all employees are a family. This comparison plays an important role in political dynamics, as it tries to give employees a unicist view of the organization, characterized by mutual collaboration and the absence of conflicts. The family myth is ambiguous: on the one hand, the organization is marked by the solidarity typical of family relationships; on the other hand, it masks the relationships of submission that are present in families, whose man is considered the superior.

Even though it is not of great extension, conflicts do exist. In this respect, the time that employees work in the company is the most used source in political activity. With the knowledge and information acquired over the years, employees end up exercising power over the current manager, in order to negotiate particular interests. However, formal authority remains one of the main sources of power in an organization, exercised by the manager over other employees. Thus, even if the current manager and the employees do not understand what politics is, in fact, even denying its existence, the analysis of the interviews allowed to verify that the policy is present in the daily life of the "Small Family Company".

V. CONCLUSION

The research objective was achieved. Using the metaphor of Gareth Morgan (1996), the family company studied can be considered to be a political system, whose dynamics involve the former and the current manager, as well as the employees, who have conflicts of interest and use of power to resolve them. In the case of employees, political activity is related to individual and external aspects of the organization, using years of service as a source of power to negotiate with their management. The managers, in turn, use formal authority over employees, as a way to reinforce their decision-making power, also indicating that the founder's paternal authority over their son also reflects on the management of company.

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