ORGANIZATIONAL CULTURE

- Cultural connections in multinational companies

“Societies, organizations and individuals represent the gardens, bouquets and flowers of social science. ... To understand our social environment we cannot limit ourselves to solely one level; we should be prepared to consider all three.”

- Geert Hofstede
Abstract

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Authors: Emma Soikkeli & Josefine Strömberg
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Introduction: Our world is changing. Due to globalization, multinational companies are meeting fiercer competition and the pressure to be competitive and successful is increasing. The characteristics of the companies seem to be more in focus now and ever since the eighties the concept of organizational culture has been a much-discussed topic. Companies expanding abroad face national cultures that may differ from their own. In order to create a common ground and strive towards common goals there is a need for common values and a favourable culture.

Purpose: The purpose of this thesis is to investigate how the employees in a subsidiary of a successful company perceive their own organizational culture and its connection to the organizational culture of the foreign parent company. This is also our research question. The company we have chosen to perform a case study at is BMW Group Gothenburg, subsidiary to BMW AG Germany.

Method: This is a qualitative study, and in order to investigate the attitudes of the employees we have performed interviews with employees of different levels and departments at BMW Gothenburg. As a complement to the data collected during the interviews we have made observations outside and inside the facility in Gothenburg in order to broaden the impression of the culture.

Analysis: Our study shows that the employees at BMW in Gothenburg perceive their culture as unique due to its cheerful and friendly atmosphere where everybody feels at ease with their work. The relationship between different organizational levels and departments is good and has developed in this direction during recent years. The employees have fun working and this is, according to them, the biggest motivating factor. Important symbols stressed are the meetings where they feel they get the opportunity to express their opinion and have discussions, events and activities outside the formal working facility and the home-baked cake made by the sales manager to reward any salesman who sells more than 30 cars in a month. The employees’ perceptions of organizational culture at the parent company are vague, but a hierarchical structure is something all respondents agree characterize German organizational culture in general and therefore also ought to be present at BMW in Germany.

Conclusions: The connections in organizational culture between the subsidiary in Gothenburg and the parent company in Germany are mainly materialistic. The employees do not consider the fact that BMW is a German company as something they reflect about or that affects them in their daily work. In other words, BMW show that a company can be successful worldwide without having a strong common corporate culture, something many researchers consider to be of great importance. A strong product, material control that makes BMW-facilities all over the world recognizable to the customer as well as liberties for the local managers are possible factors behind the success of BMW.
Acknowledgements

"Feeling gratitude and not expressing it is like wrapping a gift without giving it away."

- William Arthur Ward

During our process of writing this thesis we have in different levels depended on other people than ourselves. First of all we would like to express our great gratitude to Tord Johansson, CEO of BMW Group Gothenburg for granting us access to a successful company. Further we want to give our thanks to the busy, but still very nice, staff at BMW for taking their time and thoroughly answering our questions. Sven Siverbo, our supervisor, has helped us a lot with providing valuable and useful comments and pushing us to do our best, and for this he deserves a big thank-you. A last thank you to Jordan Bober for his input on the language in the thesis.

We have now handed over the gift to you. Thank you all!

Gothenburg, May 2007

Josefine Strömberg       Emma Soikkeli

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Appendix 1 – Interview guidelines

Appendix 2 – Bang’s five criteria
1. Introduction

This chapter introduces the reader to the subject and the problem we have chosen to investigate. The main focus is the concept of culture and its role in organizations. Each organization does not only possess its own unique corporate culture, it also has a connection to the environment and country in which the organization is located. The introduction develops this more deeply and also explains why this thesis has been written and what purpose it fills. The aim is to explain more deeply the starting point and further facilitate the reading experience.

"Always remember that you are unique. Just like everybody else."

- Margaret Mead, American anthropologist

In the mind of every person, emotions, thoughts and possible actions form a pattern which has developed during his or her childhood. Once rooted in the mind, these patterns must be forgotten before anything new can be taught. A common name for these patterns is culture. Culture is important. It is what founds confidence. The concept of culture is broad and abstract but still a crucial part of everyone’s environment and something that can be found anywhere. It takes form in symbols, heroes, rituals and customs. The core, the essence of culture is values. Our basic values are founded in the beginning of our lives, while as we grow older we tend to focus on consciously learning new customs. The choices we make during this process determine our self-image and how we are looked upon by others.

There are countless definitions of the word culture, each one claiming to be unique. But in fact this only goes to show that the concept is far too abstract to be clearly defined, Bang states that it signifies what we at every specific moment want it to signify. We see this as the strength of the subject; it is what makes it so interesting to study. You can end up anywhere, and there is no right or wrong. Many connect culture with art and theatre, but the concept is nowadays far more widespread and can be applied to many more areas, organizations being one of them. A popular and simple definition of the expression organizational culture is made by Deal and Kennedy;

“Culture is the way in which we perform something here at ours.”

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2 http://www.ordsprak.se/kalla.asp?kalla=Margaret%20Mead Homepage visited 2007-04-17
3 Hofstede G (2005) Organisationer och kulturer
5 The expressions "organizational culture" and "corporate culture" are used synonymously in this thesis.
1.1 Background

Ever since the eighties when the concept of organizational culture became a popular subject, it has fascinated both researchers and management gurus. When Japan rose as a serious competitor on the world market, a lot of attention was shifted towards studying their recipe for success. Due to globalization, the actions and advances of big companies from foreign countries suddenly became interesting and important to understand in order to stand up to the increasing competition. One of the explanations the researchers used to explain the brilliance of the Japanese companies had to do with shared Japanese values and cultural peculiarities which made team spirit and work morale more interesting and valued as competitive tools. Peters and Waterman, two American consults, further developed this explanation in their world famous book “In search of excellence” where they state that a strong corporate culture is an essential factor in success. The study of organizational culture sprang out of other sciences, such as organizational sociology and organization theory, but today the subject has become a partly institutionalized field of research within the broader area of organizational science. It is seen as rather easy to investigate, transforming dull business meetings into rituals and the dreary corporate histories into sagas filled with heroes. This goes also for the corporations that are being studied, for example the management can move from their closed offices out to the field, preaching about values. The fact that the concept is rather easy to approach has attracted numerous researchers and authors. From a cynical perspective one can say that it has been exploited by many who have seen it as a profitable marketing opportunity, in spite of the claim that organizational culture is developed within the organization in the course of employees’ collaboration with each other and the surrounding world. This would imply that one company is constrained in its capacity to reconstruct another company’s corporate culture.

The concept of organizational culture has occasionally been simplified by various management gurus, for example by designing work that essentially can be seen as handbooks on how to build a successful culture. Nevertheless, the process of developing a strong corporate culture has encountered more difficulties due to the fact that the multinational companies of today are growing bigger and their organizational culture has nowadays to work together with a higher number of different national cultures. The concept of corporate culture is certainly a most complex one, and we consider further research motivated in order to study this complexity. Our contribution to this task will, just like all earlier contributions, strive to be unique.

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10 www.martensonforetagskultur.se A company which “helps organizations form a corporate culture where managers make conscious and brave choices, for a healthier and more profitable corporate culture.”
   Homepage visited 2007-04-16
1.2 Discussion of the problem

Our world is changing. Globalization is a hot topic these days, one that has changed markets worldwide and to which has been devoted an endless amount of time and column meters. Corporations have grown bigger, their activity is spread worldwide, and new products are developed at a dizzying pace. As a consequence of this increase in supply, competition has grown fiercer and there is a greater pressure for companies to be profitable and competitive. Customers expect more in terms of service and kind treatment, something that solely the companies’ staff can offer. The staff has therefore become a much more important resource for companies where contact with customers is key. In order to greet the customer in a positive and friendly way, the employees must feel happy with their tasks, colleagues and work-place and at the same time feel motivated to work in line with the company’s goals and values. How might this be accomplished? By having a favorable corporate culture. A corporation’s culture helps the individual to act in situations characterized by insecurity and leads a group of individuals, which may be separated from each other both in terms of values and physical distance, towards a common goal. There are two different perspectives on organizational culture: either that it is something the organization has or that it is something the organization is. The culture exercises a strong influence over the entire organization and has an effect on just about everything, ranging from promotions to dress codes and activities.

In management literature the focus has mainly been on the leader’s values and influence, even though the rank and file members of the organization are presumed to be the bearers of the culture. They possess just as many values, goals and attitudes and are equally important for the organization, and yet have not been as closely studied as the organization’s leaders. The tendency in recent years, however, has been that the members of organizations have developed a greater appreciation for the finer points of organizational culture, as a consequence of the fact that people today desire more out of working than mere monetary rewards. The essence of this trend is encapsulated in the common assertion that in choosing an employer, one is often choosing one’s future lifestyle as well.

When a person enters an organization, he/she brings along his or her earlier, entrenched values. Therefore, organizational cultures are mainly constituted of practices, and organizational culture is shallower in comparison to national culture. Hofstede explains how research regarding national culture can only be used to better
understand organizational culture up to a certain level. According to Deal & Kennedy, a corporate culture first and foremost affected by its business and social environment, and the culture that develops expresses what it takes to succeed the company’s particular environment. When a company is expanding abroad or is considering doing so, differences in national culture inevitably become an important factor which has to be considered in order to ensure success. Every new cultural environment constitutes in effect a shock, provoking reactions from the individuals within the expanding company as well as from the foreign environment. Differences in national identity are affected by cultural values, and it is the cultural values that decide what effects these differences will have. What the companies need and strive for is a common ground to stand on – a common culture which is functional for the entire organization despite differences in national values. Therefore it is important to create efficient corporate cultures spanning all countries, employing methods which help very different people strive for a common goal. Even though the process of globalization had already started to develop rapidly during the eighties when organizational culture theories became established, we realize that the two phenomena’s importance for each other has expanded. Local differences must now more than ever be taken into consideration. Despite all the literature that has been published, the nature of the concept and the different factors involved makes it problematic to, based on theory alone, draw conclusions about how culture works in practice. In our opinion, it has to be seen and experienced with one’s own eyes. According to Martin, there is a lack of research regarding the tension between homogeneity and sensitivity to local differences, which would be significant help to multinational companies establishing subsidiaries in foreign cultures. The optimum is to take these questions into consideration before carrying out an international expansion, but the research can also be useful for already expanded corporations in difficult situations posed by cultural clashes. This is a good argument for further research in this area.

1.3 Research question and purpose

The statement Martin makes lends weight to our thesis, and fusing factors such as globalization, organizational and national culture we pinpoint our research question:

**How do the employees in a subsidiary of a successful company perceive their own organizational culture and its connection to the organizational culture of the foreign parent company?**

As we have shown, there is still room for further investigation and analysis regarding the relationship between organizational culture and national cultures. The goal for our, as

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19 Hofstede G (2005) Organisationer och kulturer p. 50
20 Deal E T & Kennedy A A (1982) Företagskulturer
22 Martin J (2002) Organizational Culture p. 349
well as for all other research, is to broaden the knowledge base within the subject in question. For us, the subject in question is the organizational culture of corporations in a context where different national cultures are involved and therefore matter and have an effect on the company. With our research question as a starting point, we would like to investigate the employees’ attitudes towards their organizational culture as well as artifacts within this culture. In the relationship between organizational culture and national culture: what has the biggest impact on the culture at the workplace? Do the employees of the subsidiary feel ill at ease in their surroundings, even though they are in a successful company? Which potential advantages do they see in their environment?

We do not wish to pass any judgements on what is right or wrong; the purpose is, by elucidating a specific situation, to find data that can give clues, awaken thoughts and reflections within the reader about organizational culture connected to national culture. By reading our thesis, we hope that the reader can broaden his or her perspective and perceptions of culture and thereby gain a chance to see his or her own surroundings in a somewhat different light. The focus of the investigation conducted in the thesis lies on an internal perspective of organizational culture; the external view of the organization is deliberately left out. In other words, the focus will entirely lie on the members located within the organization.

The formulation of the research question, how members of a successful company perceive organizational culture, gives us the additional opportunity to identify possible traits underlying and supporting that prosperity. We do not believe that organizational culture is a single solution for a company to gain success; it is merely one ingredient in a much more complex recipe. Nevertheless, we find it to be a significant factor that may have been neglected until now. One reason for this might be the fact that it is an abstract concept and therefore hard to pinpoint. In our opinion, however, the importance of organizational culture has increased during recent years.

1.4 Our thesis – a metaphor

We have chosen a somewhat unconventional way to describe the disposition and work process of our thesis: a metaphor. A metaphor is an expression used to describe and illustrate something that is similar to what the expression really stands for.

Imagine that the entire process of writing this thesis is a journey. The purpose signifies the reason we are making this journey. The starting point, the place of departure, is the research question and the destination, the answer to the question, our conclusion, is in the beginning of the journey unknown. Before we leave, we have to decide which mode of conveyance to use in order to reach our final destination. This is the method. Between

23 Merriam B. S (1994) *Fallstudien som forskningsmetod* p. 74
24 Nordstedts Svensk Ordbok
the place of departure and the destination lies a brushy network of roads, theory. If tricky situations appear, we can contact a special man, our supervisor, who tries to guide us through. During our journey, we spot certain things in the surroundings and we meet and talk with different people. All these observations and conversations are noted: empirical data. When we finally reach the gateway to the destination, we sum up and reflect on our journey: the analysis.
2. Method

To answer our question we must have a well thought-out strategy. It is the researcher’s duty to reflect about and investigate his or her role as a researcher and the different methods for collecting data. This chapter presents the choices in method we have made, that is how we have collected our data. The main base for our empirical data is interviewing but in order to broaden the base, we have performed observations. Each method is described and argued for so that the reader understands our choices.

“The goal is nothing. The way is everything.”25

-Robert Broberg

In order to perform the investigation presented in the main thesis, we have chosen to conduct a case study of a successful multinational company. The chosen company’s role is essential to the answering of our question, and therefore we determined some criteria that had to be fulfilled. First of all, the company had to be multinational, preferably with a subsidiary in Sweden, since that is the field in which we are active. The importance of the company’s origin and subsidiary locations is not considered an important factor since that is not where the focus lies: the principal matter is that the parent company and the subsidiary are situated in different nations. We wanted a company which had been present on the Swedish market for several years, meaning that the organizational culture in Sweden is well-established and therefore easier to map out. Second, the company had to be in a business sector where customer relations are significant and where a large portion of the employees interact with customers, in one way or another, on a daily basis. This was because we wished to study a company where the employees are considered an important asset. The study can be carried out from a negative or positive perspective, depending on the chosen company’s success on the market. Every company wants to find clues on how to attain long-term success, and this can be illustrated either in examples telling them what they ought to do, or in examples telling them what not to do. Even if we do not aspire to leave any definitive recommendations, our hope is that the reader will be inspired by our study, and therefore we have chosen to take a positive approach and study a successful company both worldwide and on the Swedish market. The object for our case study is, as a consequence of the criteria above, BMW Group Gothenburg, a subsidiary to BMW AG, Germany.

After further researching BMW, other positive aspects related to their success have become apparent. Not only are the results good, they also seem to have an impeccable reputation. In order to classify the company as successful, we have studied its results over

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Method

the last ten years. From 1996 to 2006 its profit has increased every year, from 4.3 billion Swedish crowns to approximately 4 billion euros. In 2006 its 3-series was proclaimed car of the year, and new buyers rank BMW as their number-one car. In a study of 1400 articles, only 12 topics could be considered discrediting of BMW’s reputation.

2.1 The role of the researcher

Since the data treated in our thesis is qualitative, the researchers’ role is essential. As the people responsible for collecting information, the fact that we as humans make mistakes and are coloured by our values and prejudices has to be kept in mind. This can be a source of unavoidable error, although one thing that can reduce this error is if the person performing the case study possesses the quality of a good communicator. When investigating an abstract phenomenon, the researcher has to be open for ambiguity and differing interpretations. The risk, and also a common problem when studying culture, is that the persons performing the studies often focus on the manifestations that confirm rather than contradict their theoretical presumptions. As researchers, we are very much aware of the fact that we are two individuals with quite similar backgrounds, qualities and values. We share not only national culture, but also similar upbringings. This may be seen as a great disadvantage, something whose significance we have tried to reduce by involving others, such as our supervisor, as much as possible in the process.

2.2 Type of the thesis

This is a qualitative study. According to Bang, researchers studying culture agree almost unanimously that qualitative methods should dominate as culture is being mapped out. This can be explained by the nature of the concept, which is soft and abstract. To take a quantitative approach can be seen as inappropriate; some researchers claim that it produces both superficial and irrelevant results. A problem with a strictly qualitative approach is the lack of synthesis and that the results can be difficult to tie together. This problem is illustrated by Bang in the history about the blind people and the elephant. The story tells of how a group of blind people is introduced to an elephant for the first time.

26 Göteborgs-Posten 1997-03-26 p. 44. Tomas Lundin & Martina Lind. "BMW växlar upp och byter koncernchef". Svenska Dagbladet 2006-08-03 p. 40
28 The study was conducted on 1400 articles found in Mediearkivet 2007-04-24, search word BMW. The 12 topics did sometimes appear in both a Swedish and Norwegian newspaper but was then counted as one topic.
29 Merriam B. S (1994) Fallstudien som forskningsmetod p. 50-54
30 Martin J (2002) Organizational Culture p. 88
They each get to touch a different part of the creature and are then asked to describe the elephant’s appearance. Since they have touched different parts, they describe the elephant in completely different ways and therefore fail to recreate it as a whole. This story shows exactly the problem that may arise when performing a qualitative study; one easily ends up focusing on isolated parts of the cultural concept. Since we have used a substantial amount of literature focusing on different aspects of the cultural concept, we have tried to avoid closely describing merely one of the aspects. Our goal is to give more than just one piece of the puzzle.

2.3 Case study

Our thesis is based on an interpretive case study of BMW Group, Gothenburg, the purpose of which is to support or call into question the ideas presented in the theory-chapter. The reasons for choosing a case study are highly related to the nature of the problem. The basis for the entire thesis rests on a concept which almost demands a case study. It is only possible to study and pick up the thoughts, ambiance and other subjective factors by directly observing and sojourning in the natural environment, the physical setting of the organization. Relative to other methods, a case study tends to have a wider range in picking up information. Using the data collected to find a “right answer” is not the purpose of employing this method, but rather finding the most convincing interpretation.

One strength of this method lies in its ability to study social units consisting of multiple variables. On the downside it may not always be possible to study these occurrences due to lack of time or money. Events observed may be blown out of proportion and given too much significance in relation to their real value. Situations must be evaluated in a broader perspective to avoid seeing one-time occurrences as general patterns. Despite these disadvantages, we still find a case study in the given situation, with regards to our problem, the unsurpassed solution.

2.4 Interviews and selection

Bang emphasises the fact that interviewing is the most important and applied method that can be employed in the study of organizational culture. When using interviews as a research method, the proper relationship between the interviewer and the respondent is essential to a good result. This relationship is affected by several factors, including social

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33 Bang H (1999) *Organisationskultur* p. 16-17
34 Merriam B. S (1994) *Fallstudien som forskningsmetod* p. 41-47
35 Merriam B. S (1994) *Fallstudien som forskningsmetod* p. 41-47
and emotional ones. The relationship is a dynamic process which develops continuously as the interview proceeds.\(^{37}\) Like all methods, interviewing possesses strengths and weaknesses. The greatest strength lies in the ability to adapt it to a specific purpose. Even though it can be time demanding, the response is likely to be greater than for a survey. Both the concrete answer and the respondent’s body language and behaviour can be studied. This aids in the understanding of the underlying factors that constitute a part of the culture the respondent is operating in. In such direct situations there is a possibility to explore the thoughts behind the respondent’s answers and by further questioning to investigate the reliability of those answers.\(^{38}\) Furthermore, the tolerance for ambiguity is higher than when using other methods, provided that the researcher has an open mind. The weaknesses lie in the difficulty in comparing the answers, especially when using a more open interviewing approach. It can therefore be rather trying to generalize from the collected data. The respondent may express, consciously or subconsciously, an acceptable answer that correlates to the common thinking within the organization. Another weakness is the possibility for the interviewer to influence the respondent with his or her own theoretical presumptions.\(^{39}\)

To obtain the best result, a diversified selection has to be made. Since the thesis is qualitative, we have focused on a smaller range of respondents in order to attain a greater depth and quality. There is a limited amount of possible respondents and certain aspects have affected the selection, even though we hoped that they would not. For example, we have given priority to a good relation with the respondents and therefore have not pressured employees with a lack of time to participate. Unfortunately one group, the mechanics, had to be excluded due to the fact that they do piecework and therefore cannot afford to take a pause in their work. We have performed four interviews with representatives from different departments, different age-groups and different hierarchical levels. The interviews lasted approximately one hour and the questions were not handed out beforehand. All the respondents knew was that they were going to be interviewed. By doing this we hoped to get more spontaneous and honest answers. The procedure during the interviews was that one of the researchers took notes while the other one posed the questions, and each interview was followed up with a small discussion of an informal character based on the earlier answers and questions given during the formal interview.

To secure a certain quality in the selection, we have used the theory “Demands to place on the informer” explained by Bang. In this theory, Bang has listed five criteria\(^{40}\), among them that the respondent must have lived in the culture for at least one year and is currently doing so. The questions were prepared beforehand, but also revised during the

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\(^{37}\) Keats M. D (2000) Interviewing – a practical guide for students and professionals p. 3-33

\(^{38}\) Keats M. D (2000) Interviewing – a practical guide for students and professionals p. 3-33


\(^{40}\) See Appendix 2
interviews. As a guideline we have adopted the proposals presented by Bang and which are based on theories by Schein, Sathe, Siehl, Edgren and Bang’s own experiences.\textsuperscript{41}

### 2.5 Observations

As a complement to the interviews we have chosen to make further observations. The reason for this is that while an interview has the characteristics of a second-hand account with the risk of the giving what he or she considers to be the “right” answer, an observation constitutes a direct experience.\textsuperscript{42} Through observations we can verify or reject the hypotheses derived from the interviews. To profit fully from this, we have chosen to perform the observations after the interviews. Our observation process will be unstructured according to the definition by Bang, meaning that we do not know beforehand which phenomena will be observed.\textsuperscript{43} Nevertheless it is the main thesis and its purpose that guide us through. The registration of data during an observation can be tiring and time-demanding work, and difficulties in processing the data collected can arise. A one-time incident cannot be seen as a cultural expression; it is up to the researcher to snatch up what is cultural and what is coincidental. Some critics claim that the subjectivity of the researcher impedes observation from being a credible method for collecting data. There are four different types of attitudes to choose from when observing an organization. They are detailed by both Bang and Merriam and are presented in the figure below.\textsuperscript{44} Our choice of role as observers is mainly related to the observer – participant approach.

\begin{figure}
\centering
\begin{itemize}
  \item \textbf{Complete participant}\n  \begin{quote}
  The researcher is a member of the group that is being observed.
  \end{quote}
  \item \textbf{Participant – Observer}\n  \begin{quote}
  The researcher’s role as observer is known by the participants.
  \end{quote}
  \item \textbf{Observer – Participant}\n  \begin{quote}
  The researcher’s role in the group is secondary in relation to the task of collecting data.
  \end{quote}
\end{itemize}
\end{figure}

\begin{footnotesize}
\textsuperscript{41} Bang H (1999) \textit{Organisationskultur} p. 167-170
\textsuperscript{42} Merriam B. S (1994) \textit{Fallstudien som forskningsmetod} p. 101-115
\textsuperscript{43} Bang H (1999) \textit{Organisationskultur} p. 167-170
\end{footnotesize}
2.6 Analysis

The aim of the analysis is to tie together the theory and the empirical data. The theory can be seen as the glasses we put on before looking at the empirical data, and the analysis is the description of what we see through those glasses. We have taken notes during the entire work process, each time an interesting idea or observation has appeared in our minds. Alvesson and Berg point out the importance of explaining which object levels as well as the levels of analysis chosen that are going to be investigated. According to them, a reason for this is the lack of awareness regarding the problems associated with combining different concepts. One example can be combining a psychological theory that has been developed for use on individuals with one meant to be used on the collective, organizational level. Alvesson and Berg use a figure to illustrate the range of levels of analysis and which phenomena that can be studied within each level. The different levels are: nation, industrial sector, company and subunits. The phenomena are: symbols, spirit, identity, image and culture, which in turn includes myths, rites and rituals, heroes, core values and so on. In our thesis, nation is corresponds to Germany/Sweden, industrial sector is the car-industry, company is represented by the parent company of BMW located in Germany and subunits is BMW Group Gothenburg. A possible further subdivision could consist of the different departments within BMW Group Gothenburg. Our focus, with starting point in our research question, will lay in the subunit-level since this is where we have collected our empirical data but the nature of the research question compels us include the company-level as well. We are going to analyze almost all of the phenomena mentioned above, excluding identity. Since BMW is a company with substantial customer contact where the employees are an important asset we have included another factor in our analysis; what motivates the employees within the organization.

2.7 Reliability of the thesis

In order to lend weight to a thesis it is important that the authors question what in the academic world is known as its credibility and reliability. Validity means that “...as a

researcher one measures what one intends to measure.\(^{46}\) Here the emphasis is placed on what is being measured and how relevant the data is.\(^{47}\) In qualitative studies validity is important throughout the entire process. It is essential that the researcher identify contradictions and ambiguity when collecting the data in order to ensure its validity.\(^{48}\) In choosing questions for the interviews we have performed a critical examination in order to ensure that the questions were relevant to our research question, which in turn secures their validity. Since the empirical data were collected after a study of relevant literature regarding methods for writing theses, we have as researchers constantly reminded ourselves to pay attention even to minor details, which have been documented in connection with the moment of observation.

Reliability refers to the data that have been measured.\(^{49}\) High reliability is attained when repeated measurements yield the same result. It is how one performs the measurements that determine whether the reliability is high or low.\(^{50}\) We consider our thesis to be of high reliability since the nature of the questions can be seen as “soft” and it is therefore harder to give an incorrect image. One of the respondents even pointed out on his own how emotional he had been when answering our questions. Further, the interviews were conducted in privacy and were undisturbed. The fact that both authors were present during the interviews taking notes ensured that nothing passed unnoticed.

\(^{46}\) Ejvegård R (1996) *Vetenskaplig metod* p. 69
\(^{47}\) Hellevik O *Forskningsmetoder i sociologi och statsvetenskap* (1977)
\(^{49}\) Nordstedts Svensk Ordbok
\(^{50}\) Johansson-Lindfors M-B (1993) *Att utveckla kunskap*
3. Theory

In order to analyze the empirical data we must use theory. This chapter has collected the theories we find interesting and relevant to our material. It is important to point out that this is only a small selection of all the theories concerning organizational culture, and each theory can be argued both for and against. Since the sociologist Geert Hofstede has developed useful theories regarding our research area, his material plays a prominent part in this chapter. Henning Bang has in his book “Organisationskultur” summarized many of the existing theories and thoughts regarding the subject and he therefore also plays an important role in this chapter. The chapter can be seen as the glasses we will later put on when performing our analysis of the empirical data collected. It is divided into two sections, the first generally describing the concept of culture, the second one going into particulars about different cultural expressions.

“In order to gain success, all you have to do is take a walk on the cemetery of old ideas.”

- Eric De Witt

3.1 Culture

3.1.1 Subcultures

Hofstede describes how almost all persons belong to different groups and categories at the same time. To further describe these patterns he has worked out different layers of culture that in each person’s mind affect the values and norms that he or she carries. He lists some examples such as gender, generation, social class, regional and finally the national and organizational level. The nature of an organization differs from that of a nation, in that in an organization, the members themselves decide whether they want to join or leave, and they are only involved in the culture during their work hours. Schein argue that some criteria have to be filled in order for a culture to develop within a group. First of all, the group has to have been a unit long enough to have shared and experienced significant problems. Second, the group must have possessed the ability to solve these problems and see the result of their solutions. Third, a certain socialization must have occurred, that is that new members have entered the group and been inculturated regarding how to behave and solve problems within the particular group.

Bang explains that a subculture is a part of a culture or a subdivision within an organization. Further he refers to a definition by Van Maanen and Barley which states that a subculture is:

“…a subdivision of the organizational members who often co-operate with each other, who identify themselves as a distinct group within the organization, who share a set of problems that the main part of the group agrees are troublesome and who by routine act with background in the unique, collective concept of reality of the group.”  

According to Bang there are two perspectives that can be used in order to study organizational culture and its subcultures. The integration perspective sees the organization as a single culture while the differentiation perspective focus one the smaller and perhaps contradicting subcultures within the organization. The integration perspective studies the entire cake, while the differentiation perspective studies the pieces of the cake and their relationship with the cake itself. There are three conditions that claim to contribute to the rise of subcultures: a tight and close contact among a group of people, shared experiences and common personal qualities. A group of persons working close together has a tendency to develop shared feelings and perceptions. This makes the physical location of people as well as the method of organizing the work play an important role in how subcultures are developed. These three conditions have the positive effect of creating a feeling of unity and uniqueness which separates the group from other groups. The different subcultures within the organization can be related to each other in one of the following ways: by supporting and encouraging each other, by contradicting and impeding each other, or by working independently from each other and therefore having little effect on each other. In other words, conflicts can arise between different subcultures. Bang argues that every organization must contain conflicts between subcultures to a certain level anything else would be unnatural. He claims that it is not a matter of whether conflicts exist, but to what extent the conflicts are healthy for the organization. One conflict can lie in the organization’s dispersal over large geographical areas. Organizations with divisions, departments or subsidiaries located in different areas tend to develop their own specific cultures as a consequence of local conditions, values and norms.

3.1.2 Culture and successful companies

In their famous book "In search of excellence", Peters and Waterman discuss brilliant companies and what characterizes them their culture. By investigating successful, innovative companies, they have discovered eight attributes that these companies have in common:

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54 Bang H (1999) Organisationskultur p. 29
55 "With conflicts between different subcultures means when the concepts of reality, values and norms of two groups struggle against each other in such a way as to prevent the groups from reaching their goals." Bang H (1999) Organisationskultur p. 32
The last and somewhat summarizing attribute, a firm and soluble organization, means that a firm, centralized management combined with maximum individual independence is preferable. The authors have chosen to draw a parallel to the expression “you cannot have your cake and eat it too”. Such organizations are on the one hand strictly governed, but can on the other hand still allow independence and individual initiative. Through trust and care for small details this can be attained. The tight government is seen as a guarantee for quality customer service; the authors believe that if the company really cares about the customer, what they say and what they demand, there is no room for taking any liberties. The use of the expression quality against the customers concentrates the attention towards the tendency for the company to be innovative. This will serve as an incentive to productivity, enthusiasm and directing attention towards the company’s environment.57

3.2 Cultural expressions

3.2.1 The onion diagram

According to Hofstede, cultural phenomena can be summarized four in dimensions; symbols, heroes, rituals and values. To further explain this, Hofstede has developed the onion diagram to show how they are connected and their placement as deep cultural manifestations or more shallow ones.58
Symbols

*Symbols* are a collected term for words, gestures, images or objects connected to a special meaning for the members of a certain culture that may vary from the meaning for members of other cultures. Symbols are seen as rather shallow since they can quickly be replaced or renewed.\(^59\)

While Hofstede divides cultural expressions in different sectors, or layers, Bolman and Deal describe the organizational culture from a so-called *symbolic perspective* where cultural expressions are united in one single concept, symbols. The symbolic perspective questions the traditional view that success within a team is mainly a matter of finding the right employees and establishing a suitable structure. Instead, the symbolic perspective emphasizes the aspect of modern organizations and focuses on the complexity and ambiguity that is to be found in every organization. The base for high achievements is the spirit and soul of the organization. There is even evidence proving that the organizational soul is crucial when it comes to the long-term success of a company.\(^60\)

Organizational symbols express an organizational culture by communicating and concretizing it. The symbolic perspective tries to interpret questions regarding meanings and faith, questions that give power to the symbols as means of handling insecurity and ambiguity in everyday life. Symbols can appear in several different forms: myths, visions and values; heroes and heroines; histories and fairy tales; rituals; ceremonies; and metaphors, humour and games. These symbols permeate every little part of the organization and are crucial in moments of doubt, confusion and insecurity.\(^61\)

Deal and Kennedy call the organizational symbols described above the cultural *elements*, and claim that these elements together build a strong culture that inspires the employees to be loyal to their organization. The values are the core of the organization, and the heroes are visionaries with strong characteristics who represent the strong organization and its culture.\(^62\)

Culture is important for a company, allowing the day-to-day work to proceed without impediments. It is important to make employees aware of what to do and how to do it. Companies with strong cultures know this, and know how to communicate which kinds of behaviour are desired to their employees. Symbols form the life within the culture and make every individual member aware of the shared symbols. Symbolic actions can affect human behaviour and are therefore an important part of a successful corporate culture where the members feel involved and a part of a greater whole.\(^63\)

\(^59\) Hofstede G (2005) *Organisationer och kulturer*
\(^60\) Bolman G L & Deal E T (2005) *Nya perspektiv på organisation och ledarskap* p. 293-327, 467
\(^61\) Ibid. p. 293-327
\(^63\) Ibid.
Heroes

Heroes are persons, who may be alive, dead, or they may even be made up, but their qualities have a strong significance within the culture and they therefore become iconic. These persons do not have to be as important as a president or the like; Hofstede mentions Barbie and Asterix as examples of American and French cultural heroes.\(^{64}\) Deal and Kennedy state that values are impersonated by the heroes of the company. The heroes are the central figures of a strong culture, the ones who represent the strength of the organization. To further strengthen organizational values, raising the motivation of the employees is a crucial function of heroes.\(^{65}\)

Rituals

Rituals are activities performed collectively that lack a specific goal but are seen as socially important within the culture. Even rituals with an expressed purpose, such as a business meeting, are principally performed because of the ritual aspect which can allow both leaders and employees to be heard.\(^{66}\)

Values and motivation

In the core of the onion lie values, “our tendencies to prefer certain conditions above others”.\(^{67}\) Important for values are dichotomies between what is right and what is wrong, good or bad and so on. Positive and negative feelings are essential and are the foundations for values. Values are fundamental for us as humans and are acquired early on in life. They help us to survive and adapt to our environment, and we therefore go through a period of ten to twelve years when we learn extremely quickly. Symbols, heroes, and visual expressions of culture, the meanings of which depend on the subjective interpretation of people initiated in the culture.

As a consequence of increasing globalization, competition is growing stronger and becoming more international. It is therefore even more crucial for companies to have common goals and to make every employee aware of these goals and what work has to be done in order to reach them. These goals may conflict with the personal goals of the employees, and a shared value base helps to unify and motivate the staff. To accomplish this, it is essential to make them feel motivated to work in line with the company’s goals. According to Arvidsson, individuals feel more motivated when they receive feedback for their achievements and are rewarded for their performance.\(^{68}\) The service sector is sometimes described as “personality intense”, and performance is often dependent upon

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\(^{64}\) Hofstede G (2005) Organisationer och kulturer


\(^{66}\) Hofstede G (2005) Organisationer och kulturer

\(^{67}\) Ibid. p. 22

possessing the right personal touch. Being a “team-player”, dynamic and positive to changes is considered more important than actual work performances while making a career. The combined pressure of an unstable social world and the willingness to be regarded as a “team-player” can make employees eager to receive feedback from their superiors and to be positively evaluated in their performance. Work is a chance to attain self-fulfilment and embodies our values and ideals; the employee’s attitude is what is decisive. This is an interpretation of the current trend which has evolved and will most likely continue to do so in the future as well. The rewards given can be of either monetary character or non-monetary character, for example internal rewards such as acknowledgement. Studies have been done which show that motivation does not only come with material rewards, but rewards in the form of work climate, leadership and possibilities for development are factors that to a high degree affect the individual’s motivation.

Deal and Kennedy argue that strongly rooted values within an organization can work as a motivating factor for the employees. Values give them a good ground to stand on and make it easier when it comes to making important decisions. The motivation arises as a consequence of the employees feeling that life in the company means something for them. The company values are, according to Deal and Kennedy, the foundation of corporate culture.

Deal and Kennedy, like Arvidsson, also mention rewards as a way of motivating employees, although they emphasize the rituals of the rewards, the ceremonies with which good work is celebrated. They are of the opinion that if companies do not have these sorts of rituals, insecurity and confusion result and the culture is thrown into doubt.

Rewards can also be a way to keep the employees in the company. Bolman and Deal consider motivated and engaged employees with high competence entitled to a high salary because of their contribution to the organization. To reward generously is considered to motivate employees and this ambiguity leads to high productivity and a better competitive position.

In a broader perspective, the psychologist Abraham Maslow has studied the underlying factors that compose human needs. This is not only applicable in the corporate world, but in our everyday life, everywhere. Maslow separated human needs into five categories where the first (physiological needs) is the most fundamental; these are the basic needs that have to be satisfied before any of the others. The theory can be illustrated in steps

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69 Alvesson M (1998) *Organisationsteori på svenska*


72 Ibid. p. 87

73 Bolman G L & Deal E T (2005) *Nya perspektiv på organisation och ledarskap* p. 178
and each step (need) has to be satisfied in order to proceed to the next level. The final step is self-fulfilment, the need to develop and fulfil one’s inner potential. Many researchers have criticized this theory however; among them Hofstede who considers that this can only be the highest form of motivation in an individualistic society, whereas in a collectivistic society, harmony within the group is much more likely to be the highest motivating factor. This is based on the study he has performed on national culture which he surveys with regards to the aspects power versus distance, individualism versus collectivism, masculinity versus femininity and risk aversion.

Practices
Practices represent how the factors explained above takes form in reality. As a role model and important person for the company, the manager plays an important role in showing the employees how to behave. A common feature for all types of leadership is the relation between the leader and the employee, a relation that follows the norms and values for the organization in question. The interaction among others cannot be separated from the leader himself. The company management is often designed with the cultural norms as its foundation. Müllern & Elofsson talk about the charismatic leadership and the possibility for leaders to create charismatic relationships with their employees. It is a less authoritarian approach that advocates independence and at the same time sensiveness towards the employees, democratic as well as charismatic and so on. It is leadership that depends on a leader that is present rather than distant, built on values and identity rather than calculations and numbers, and the leader is intended to motivate the employees by giving them the opportunity for self-fulfilment. The formation of a common vision and the creation of a common identity are meant to raise employee motivation and direct it toward company goals.

How a company works with its branding has an effect on the way things are performed and with which attitudes. Berry presents six dimensions which together constitute the brand. One of them is the so called capital of the brand, the effect of an awareness of the brand’s significance combined with the consumer’s actions and reactions to the marketing of the brand. Further, Melin explains that if a value is created for the customer, an additional value is also created for the owner of the brand. An active effort to build a strong brand creates positive capital of the brand, in comparison to a competitor which has a lower level of marketing work. From a consumer’s perspective, the brand acquires a symbolic meaning. The brand and consumption of a brand signals a

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74 Bolman G L & Deal E T (2005) Nya perspektiv på organisation och ledarskap
75 Hofstede G (2005) Organisationer och kulturer
78 English states a difference between the expressions trademark and brand. Trademark is the juridical function while brand states the commercial meaning. The concept of what we speak in our text will refer to brand.
lot about the consumer’s personality and can become a form of self-fulfillment. The brand has become a form of identity-bearer and for example consumption of luxury goods becomes loaded with certain values. Certain products are associated with certain risks, whether social, physical or economical. By choosing a strong brand, consumers feel that they reacted to a perceived risk. A strong brand thus acts, from the consumer’s perspective, as a sort of guarantee of quality. Unless the company wants to damage its image, it has to live up to the customer’s expectations of quality demands, a pressure that in the end functions as a warranty for the customer.\textsuperscript{81}

\textsuperscript{81} Melin F (1997) \textit{Varumärket som strategiskt konkurrensmedel – om konsten att bygga upp starka varumärken}
4. Empirical Data

The following pages describe the data collected from the field from a subjective point of view. This is a treated summary of what we have encountered during interviews and observations. The chapter shows the attitudes and thoughts of the employees towards their own organizational culture and its connection to organizational culture at BMW Germany through three different perspectives: CEO, salesman and service advisor. The material presented here will later be analyzed with help of theory, our “glasses”, in order to answer our research question. The frame upon which we have based our interviews is to be found in Appendix number 1.

“We are what we repeatedly do.”
- Aristotle

The story of BMW began in 1916 when Bayerische Flugzeug-Werke was founded in Germany. It later changed its name to Bayerische Motoren Werke, BMW. In 1972 the first production plant abroad was established in South Africa due to the poor economy of the local importer. This was the beginning of BMW’s growth into a big, multinational company. In Sweden, the history of the establishment of BMW is similar to the one in South Africa. The retailer on the Swedish market at the time was a local importer called Förenade Bil, which was acquired by BMW in 1990. Today BMW has retailers all over the world and plants in four different continents: Asia, Africa, Europe and North America.

BMW Group is the collective name for BMW, Mini and Rolls-Royce. BMW Group Gothenburg is a division within BMW Group Sweden, a subsidiary company completely owned by BMW Group in Munich. They are located within a cluster of car-retailers on Mölndalsvägen in Mölndal outside Gothenburg. This is the workplace of about 70 people with various tasks such as sales, repairs and administrative work.

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82 http://hem.passagen.se/springsteen/citat/ Homepage visited: 2007-05-02
83 www.bmwgroup.com Homepage visited 2007-05-03
84 Interview with Tord Johansson, CEO BMW Group Gothenburg, 2007-04-30
85 www.bmwgroup.com Homepage visited 2007-05-03
86 Ibid.
87 www.goteborg.bmw.se Homepage visited 2007-05-03
4.1 Observations

4.1.1 Physical artefacts
BMW is located between the highway and the primary road that links Mölndal with Gothenburg. The building is very noticeable and the company’s name is visible on both signs and flags. Due to a recent renovation and expansion, the building gives a fresh impression that stands out from the surrounding buildings. The parking lot makes a disorganized impression, making room for a massive amount of cars. Located behind a high fence equipped with sharp spikes there is a two-storey car park which appears to be filled with new, exclusive cars. The main building is covered in windows and has a square shape.

On entering through the rather small but conspicuous main entrance, one immediately notices a sign bidding the visitor welcome and stating the company motto; “BMW – When you love to drive.” The reception is located slightly to the left. Straight ahead there is a large staircase which leads to the exhibition hall for used cars and motorcycles. To the right lies the main exhibition hall, where new cars are parked in straight lines. Due to the large amount of cars it looks a bit crowded. The famous BMW-sofa\(^{88}\), which attracted much attention due to its very high price, is slightly hidden among the cars in the lower exhibition hall. Next to every car model stands a rack of brochures with information about the car. Directly connected to the exhibition hall lie the salespersons’ offices. They are rather small with glass walls and open doors. The CEO’s office is situated here as well. Of note was that not everyone in the staff possess his or her own office; some sat out in the open behind a desk. Behind the reception there is a flatscreen TV, two tables, chairs, newspapers, certificates on the wall and a coffee machine providing complimentary refreshment. There is also a vending machine and a small table with LEGO intended for children. The toilet, shared by both customers and staff, can also be found here. The left-hand side of the building is devoted to the workshop and service errands, with a customer service reception and spare part desk. Apart from cars, other merchandise such as clothing and accessories are on display for sale.

The overall impression is one of a clean and well organized facility.

4.1.2 Social factors
During all of our visits we have observed certain liveliness in the exhibition hall both among customers and employees. Most visible is the reception, where the receptionists are continuously busy taking phone calls. A major portion of the visitors are men of all ages and social classes; women and children can also be spotted amongst the customers, though mostly in the company of men. The number of customers seemed to be quite high, although this is quite natural considering that it was an afternoon on a weekend. Some of the customers made a very calm impression and seem to be very relaxed in the

\(^{88}\) Dagens Närringsliv Morgen, 2006-05-11 p. 40
environment, reading newspapers, having coffee or watching TV. The facility is open pretty much every day, and employees working on their days off are a common sight.

During our interviews, the doors to the interviewees’ offices were kept open. We noticed that even employees talking on the phone or busy with customers kept their doors open. Despite being busy with myriad tasks, the employees appear to keep an eye on what is going on outside their offices. The phones were turned off at the beginning of our interviews, but greetings and goodbyes were exchanged with other employees and customers even during the interviews themselves. One exception was the service advisor, who continuously gave priority to the interview.

4.2 The CEO’s perspective

Until 2002, BMW Group Gothenburg was suffering from low sales and an unstable leadership, with about six different CEO’s in ten years. Today, it is the largest retailer of BMW in the Nordic countries.

Tord Johansson was working as a CEO for Toyota Sweden, and was not really interested in changing jobs, when BMW first contacted him. However, after some persuasion he accepted the offer, and in 2002 he began working for BMW. He was given free hands by the German board to change the organization in order to improve the situation, which resulted in the dismissal of two persons — the former CEO and the chief accountant. He justified this action with the argument that it was not the staff that constituted the problem; it was the management’s lack of ability to motivate the staff.

When we meet Tord in his office, he is in the process of uploading a large file of ICS-standards sent from Germany which contains guidelines for material standards that they as a subsidiary company have to follow. He tells us about how, according to the higher-ups at the German headquarters, the customers have to meet a familiar atmosphere when entering a BMW-retailer, whether they are entering an establishment in India or in Sweden. In order to obtain a full bonus from the importer, the retailers must for example buy a very expensive couch (as was earlier alluded to) to place in the exhibition hall. These demands are put on every retailer around the world, and it is the CEO who is the responsible executive. It is taken for granted by the German management that these demands are being met, though due to practical reasons there is no possibility to check whether they are actually met.

4.2.1 A technical product and the German “perfectionism”

Tord thinks that people enjoy working at BMW, much thanks to its strong trademark. He describes how people react with a certain respect when learning who his employer is. This works as a strong motivator, not only for him but, according to Tord, also for the staff. This is in fact what Tord describes as the biggest perk of his job; it is stimulating to
work with such a respected trademark. The only disadvantage he described for us was the fact that the organization is growing so quickly that the company buildings cannot keep up in size and therefore must be added on to at a rapid pace. To constantly be in the process of building is stressful for the employees, and the size of the site is limited. Another negative detail was when the employees complained of the littering around the workshop, a problem which was taken care of by making somebody responsible for the appearance. Tord also tells us about the advanced technique used in the BMW-cars of today, which is another factor that spurs the expansion. In order to service the cars that are being sold, high-tech machines must be procured, an expensive but necessary investment. In order to fully utilize the machines, the mechanics must start to work in shifts. It is the expensive and advanced technique that distinguishes BMW when compared with other companies in the industry. It is, for example, almost the only rear-wheel driven car on the private car market. Tord is of the opinion that the highly-developed technique of BMW can be explained by the long tradition of production industry in Germany and by the pressure after the Second World War to rebuild the country and to be competitive on the world market. He compares a Swedish engine with a German BMW-engine, and according to him the Swedish one lags several years behind when it comes to technical development. He is of the opinion that the technique that distinguishes BMW would not be as first-rate if it were not for the fact that BMW is a German company. However, Tord jokes a bit about German “perfectionism” and exemplifies this with the complicated computer systems which are used on a daily basis. Due to security reasons, all data has to pass through a server in Germany, which makes the programs work very slowly. Personally he sees this as tiresome and thinks that it ought to be solved in a different, less complicated way. Nevertheless he has come to terms with it and puts it all down to German perfectionism, which he sees as something that will not change anytime soon since it is deeply rooted in German culture.

One thing that Tord points out as very important for his staff is that they possess the common touch. This is one thing he implemented when he first arrived at BMW. He describes the former environment as dandified and not as customer-friendly. There is no absolute necessity to wear a suit every day, something he thinks makes the customers feel more at ease. On his visits to German retailers he has experienced a different atmosphere, a much stricter and more snobbish one. This is also how he describes the environment in the facility in Stockholm, and according to Tord he shares this opinion with the chief accountant, who splits his active service between Stockholm and Gothenburg. Tord generally sees a certain level of snobbery as a common trait at BMW, but as he considers it to be negative he has tried to work against it in his working environment.

4.2.2 BMW – snobbish and expensive?

According to Tord, BMW is still considered to be a snobbish brand by the public. Many think that it is an expensive label that they cannot afford. The differences between different car manufacturers are not as big as one might think, however. They all work after practically the same model, the biggest differences lying in their marketing strategies. While some might, for example, offer a complimentary flat screen with the
purchase of their car, BMW asserts that the additional value lies in the car itself and its trademark. Asked to imagine a newspaper headline and article about BMW, Tord sees a description of how BMW once again is first with some great, new innovation. Again he refers to the advanced technical development in Germany, the distinguishing mark of BMW.

4.2.3 A cheerful atmosphere among friends

When a salesperson has sold more than 30 cars in a month, the sales manager himself bakes a cake to celebrate this accomplishment. This constitutes a small part of a reward system directed towards the salesmen. They are also motivated by monetary rewards based on an individual level. This is to be contrasted with German reward systems, which according to Tord are strictly monetary. When recruiting, he searches mostly within the organization for competent and motivated employees looking for a chance to advance in their career. He also points out that at BMW in Gothenburg, a big motivating factor is the cheerful atmosphere and the fact that your colleague is also your friend: “We have fun with each other every day at work.” When it comes to a daily routine like having lunch, the salespersons often eat out while the mechanics eat in the company lunchroom. Tord makes a point of stressing that there is mingling among these groups and that they are not strictly separate. One eats with different people each day. Talking behind the backs of one’s colleagues is not tolerated by Tord, which he strongly pointed out in his first meeting held as CEO. He tells us about other activities that the employees do in their spare time, such as beach volleyball, floor ball, outings to the bar after work and ski trips. The company sometimes sponsors these events to further encourage the employees to interact. He regards this as a good way to blow off some steam, and it creates a good spirit which rubs off on the employees’ interaction with the customer. On a professional level, other activities include evenings for test-driving and launching of new car models, kick-offs, displaying of cars in shopping malls and other publicity stunts together with other strong trademarks such as Armani and Gucci. Tord emphasizes that BMW Group Gothenburg is a company that works a lot outside the corporate walls compared to its competitors. The basic principle set by Germany is that the trademarks with which they may co-operate must be trademarks that BMW has an established relationship with, for example Oracle when it comes to sailing. Despite this, Tord points out that he has is relatively free in his local market to choose his partners. However, if he should take any initiatives that could possibly damage BMW’s reputation, the reactions would be strong. “It is therefore important to be a good player or a very good tightrope walker”, as Tord expresses it.

In Tord’s opinion the relationship between the management and the staff at BMW in Gothenburg is very good. Before his time at BMW the CEO’s had always had their offices on the second floor in the so called “bunker”, secluded from the rest of the staff. Tord, however, changed this by placing his office in the middle of the exhibition hall, and by keeping his door open he regularly interacts with the staff and customers. His purpose in doing this is to diffuse the hierarchic distance between employees and manager by becoming like an ordinary employee himself. When the German managers were told
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about this, they reacted with astonishment, mainly because of the dissimilarity in organizational culture. In Germany the management works in a much more secluded manner, often with the doors closed. This marks an example of the German hierarchy, something that Tord considered needed to change. The German hierarchy is further expressed in the use of formal titles such as Doctor, which he explains that the Germans, in contrast to the Swedes, are fond of using. When participating in international meetings and conferences, Tord has no fear in expressing his opinions and proposals to the group executive board. This behaviour is according to him rather rare but is greeted with appreciation and respect.

The meetings held at BMW are divided into different levels, and their frequency depends on which level they are situated in. The meetings on an international level gather representatives from the entire world and take place in Europe where new series are introduced. The management group in Sweden gets together ten times a year to discuss strategies. On a local level, BMW Group Gothenburg has monthly meetings, but the different sub-divisions gather once a week. Tord emphasizes the importance of these meetings, where many important decisions are taken. In his capacity as CEO he participates in meetings on several different levels within the organization, every one of them equally important.

4.3 The salesmen’s perspective

Salesman 1 (S1) has been working for BMW selling cars since 2002. He formerly worked for another German organization within the same sector, car retail. Salesman 2 (S2) has also been working for BMW since 2002. He is a trained technician and a former SAAB-employee. His career started in the workshop; he later became shop manager for spare parts, and now he is a salesman in the car department.

When asked about the history of BMW both S1 and S2 talk about the company’s origins in airplane engine manufacture about 90 years ago. They both express some uncertainty regarding certain historical events, but still manage to deliver a picture of the company’s history and development over the years. The company’s logotype is explained as representing a white propeller against a blue sky, the colours of Bavaria. Events that are highlighted as decisive for the company are the reconstruction after World War II and the bringing on board of a new design director, who renewed the design of BMW cars. The salesmen’s answers are almost entirely focused on the company’s development and history in Germany.

4.3.1 An unique working environment

Working at BMW is much appreciated. “I am having such a wonderful time here” is the spontaneous answer to whether they feel at home or not. The relationship with the family of employees is emphasized and described as great. The way they see it, this “family”
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atmosphere makes it easier to go to work each day. This is important as the working hours can be long and one sometimes ends up having to work during the weekends, a characteristic feature for the entire sector. This is the only disadvantage we have encountered, but according to our interviews this is made up for by the positive atmosphere that permeates the entire workplace. The relationship with colleagues is described as splendid. Even though the salespersons are in a certain manner in competition with each other when it comes to selling, they see each other as friends; respect and candour are seen as essential for balanced and healthy relations amongst employees. There is nothing they would like to change about their colleagues, who they describe as positive, social, happy and humble; they are pleased that there are no tensions or difficulties within the group. They see this as especially important as the work situation can sometimes be stressful, sometimes resulting in there not being much time to talk during the day, but still in a good ambiance that is passed on to the customers. The employees always remember to show respect for one another, both towards colleagues in the sales department and towards the rest of the company. There is not much contact with BMW-employees outside of the local organization. Some contacts are made during educational conferences and international trips given as rewards for good sales performances. There is no express purpose with these encounters, which are strictly sporadic, and both S1 and S2 express no desire for further bonding with their foreign colleagues. Even though the interviewees do not have much insight into corresponding German workplaces that in physical aspects look a lot like their own, they are under the impression that the situation looks completely different. For example, they believe that much less contact is being kept between the different departments in other countries because of much more strict hierarchies. There is a distinction between friend and colleague; professional relations are separate from private ones. S1 and S2 believe that not being friends with one’s colleagues has a restraining influence on a positive workplace spirit. The environment at BMW Group Gothenburg is seen as something unique. The main features they stress are the solidarity between the different departments and the relationship with the management - features they claim have changed during recent years. If they have one wish for the future it would be more parking spaces which has become inadequate as business has expanded.

4.3.2 A joyful driving experience

Even though attempts are made to make BMW folksier, both S1 and S2 think that the public perception is still that BMW is an expensive brand driven by rich people and that the salesmen are snobbish and arrogant - an image they consider to be incorrect, many do not know about the wide range of BMW-cars. Compared to other brands in the industry, they see BMW as experiencing an upswing: it is better marketed and has a brand that is trendy and seen as a status-symbol. They are aware of the fact that the product they are representing fills the same need as others on the market and also has a lot of features in common with competing brands, but they try to distinguish their brand by communicating joyful driving. While other brands might focus on safety, for example, BMW’s common accentuated feature is the driving experience. In contrast with S2, S1
has a very clear image of what he would like to read about BMW. His wish would be to read an article about the launch of the first electrical-hybrid BMW-car, a more environmentally friendly alternative with highly advanced technological solutions.

4.3.3 It is not all about selling cars

Everybody used to receive a bouquet of flowers for every birthday, but nowadays they get one only when they have an even birthday. The money saved is put in a common fund which is used for activities done together. It is the receptionists who are responsible for this task. Like Tord, both S1 and S2 tell about the cake that is made by the sales-manager as a reward for good sales results.

For salespeople, meetings are held each Tuesday. The morning is spent with everyone together, phones turned off, discussing performance, upcoming events and so on. The agenda is usually set beforehand and has been handed out before the actual meeting. This is a time to vent one’s opinions, and everybody gets the chance to express his or her thoughts and ideas. The meetings are considered to be a crucial ritual and fill a very important function. In his former department, S2 experienced that meetings were not as regularly occurring, which he saw as negative and tried to change. Whether the situation has changed since he is not aware.

At the sales department, selling a lot of cars is appreciated, but so too is being a good friend and contributing to the positive ambiance by being humble towards one’s colleagues. S1 and S2 believe that, quite contrary to the situation in Germany, the friendly relationship is here considered more crucial and results in better sales results. Cockiness and snide remarks are not welcomed here. For the salespeople, a big motivation comes from the monetary compensation for sales performance, and no one wants to be the one with the poorest sales record. S1 describes it as a small competition. On the non-monetary side, factors that motivate are working with a strong brand and fun product as well as seeing friends and having fun together. What motivates German salesmen are according to them most likely the same things that motivate Swedish salespeople, and they hope that Germans have as much fun and are as stimulated at work as they are. The fact that BMW is a German company is not a thing they think about in their everyday life. There is no gratitude towards the parent company for providing the good merchandise that they claim to like working with. In fact they even joke about Germans and their stereotypical penchant for organization, “Ordnung und Reitung” as S1 expressed it with a snicker. According to S2 it might be mere prejudice, but nevertheless these are the perceptions regarding how Germans manage their companies. Other than that there is nothing in their everyday work that reminds them of their company’s German origin.

89 Refers to the Swedish expression “ordning och reda” which means that things should be in order.
According to S1 and S2 there are many activities within the sales group. They stress the events held for customers, kick-offs for the entire company, outings to the bar after work and Christmas parties. None of the interviewed takes any initiative to spend time with their colleagues in their spare time unless the company has organized events. Lunch is taken in shifts during the day in order to avoid the exhibition hall being unmanned. Usually one has a “lunch-buddy” with whom one has lunch every day.

S1 adds that his responses have been strictly emotional and subjective; this is how he really feels towards his work.

4.4 The service-advisor’s perspective

X has been working for BMW since the beginning in Sweden and has seen many different types of changes and managers. He has closely observed the structural changes and traits that every new manager has tried to implement. He first started out as a mechanic, but after some physical problems he got the chance to start as a service-advisor, which he accepted. He saw it as a plus that he could continue in the same workplace but with less physically demanding tasks, and he also saw it as a chance to start over.

4.4.1 The importance of good customer relations

X does not talk much about BMW as a brand; he rather expresses the importance of a good relationship with the customers, regardless of the merchandise. The relationship with the clients is what motivates him, and he feels well at ease working closely with the customers. This was also the biggest motivating factor when he was working in the workshop. When asked about what motivates his German colleagues he explains that, due to the nature of his department, he considers that the interaction with the customer must be the factor that motivates the staff. He does not only see the customers as customers, he also sees them as friends, and his long time at the company makes the relations he has come to form with the customers very solid. He wishes them well and he is not just out to sell them things. A disadvantage with the job as service advisor is the sometimes stressful situations that can arise with many customers.

4.4.2 German governance on a formal and unconsciously level

He feels that his job suits him and that there is a good relationship between him and his colleagues, regardless of department. The employees sometimes get together in activities outside the company building, and he also has a close friendly relationship with some of his colleagues. At this department employees always have lunch together in different constellations. The positive spirit among all the employees has created a powerful feeling of being a team, something he experiences as stronger than before. Now there is lots of communication across units, and one often sees salesmen joking with the mechanics in
Empirical data

the workshop. This is something he thinks is different in Germany, where there is a stricter and more hierarchic corporate environment. For example he mentions the fact that it is unacceptable for a regular employee to call the manager by his or her first name. This is something that X has experienced because of many visits to Germany.

Regarding the relationship between employees and the management in Gothenburg, he feels that there is no great distance between them, and one can easily talk with one’s boss in an informal way. When it comes to the relationship with BMW in Germany, he does not on a daily basis feel that he is part of a German organization. He admits that they to a certain extent are ruled by German standards, but this mostly affects him on an unconscious level. A recent example of German governance is the fact that they have to change all the furniture in order to better harmonize with the rest of the establishment and other BMW offices around the world. He feels that it is a bit unnecessary to make such small changes and replace something that is working fine. The main thing should be that the overall impression is the same all over the world. In contrast to the sales department, X and his colleagues are also governed by Germany when it comes to physical appearance, since they all have to wear similar outfits. This is a standard that for X comes from an unknown source and X himself almost never has any personal contact with German BMW employees, staying solely within the Swedish organization.
5. Analysis

We have now reached the gateway of our destination and it is time to sum up the impressions of our journey. What did we see along the way and what does it mean? This chapter shares the same structure as the theory chapter. This is explained by the fact that we wish to facilitate the reading experience and show that all the theories brought up in chapter 3 come to use. Discussion is made in each passage, weaving together theory and empirical data in order to conclude in general conclusions. Keep in mind that the analysis is performed with the research question as a starting point.

“Everything you say has to be true, but you do not have to say everything that is true.”

-Göran Persson

The following metaphor clarifies what the thesis is really about:

“Societies, organizations and individuals represent the gardens, bouquets and flowers of social science. … To understand our social environment we cannot limit ourselves to solely one level; we should be prepared to consider all three.”

5.1 Culture

As showed in earlier chapters, culture is a phenomenon which is shaped by the surrounding environment. This explains the differences between national cultures, why we see our own culture as unique and why we perceive other cultures and nationalities as foreign. X is of the opinion that Sweden does not have the same hierarchical organizational structure as Germany, but that in spite of the fact that the employees here perceive their organization in a different way from that of the parent company, BMW is a successful, expanding firm. It seems to have adapted well to the local cultures and to make its employees get on well in the workplace, a fact that leads to a positive atmosphere in the entire staff.

Culture can for example also be expressed through dress code. Due to the fact that the CEO of BMW Group Gothenburg wants a more folksy culture which he also hopes will rub off on the customers, he has removed the dress code for the salesmen who nowadays do not have to wear a suit and tie. Still, the service advisor claims that his department is controlled by higher levels within the organization when it comes to clothing.

91 Hofstede G. Culture’s Consequences (2001) p. 413-414
5.1.1 Subcultures

In order to identify subcultures we need to map out what theory says about how culture is developed within a group of people. From Schein’s criteria for the foundation of a culture within a group, what can we say about BMW Gothenburg? First of all, the fact that there for the moment is a lack of parking spaces at the facility can be seen as a shared problem for the entire staff. Since there has recently been a renovation and expansion, even though it did not entirely solve the problem, one can see how the group solves problems and see the result of their solution. During his interview, Tord also mentioned how littering around the workshop was seen as a problem by the staff and how it was solved by making someone responsible for making sure the litter disappeared. A common feature is that the facility always has to be manned in order to take care of customers. The staff has to solve this together by taking lunch or breaks in shifts. No one can leave his or her post without someone else filling in. It cannot be ruled out that the level of separation between the workshop and the salesmen has created two separated cultures. A simple fact such as the physical separation between the workshop and the exhibition hall where the salesmen spend most of their time can have an effect on this. There is a problem shared by the mechanics, the fact that they do piecework, which is not shared by the salesmen. Whether or not one sees this as a problem, it is a unifying trait that also has a major impact on everyday work. During our interviews, the respondents have testified that formerly there was a clearer separation between mechanics and salesmen, with very little contact made, and how in contrast to this the salesmen nowadays often talk and joke around with the mechanics in the workshop. This can overcome some of the factors that possibly create a separation in culture between the sales department and the workshop, but whether this has been an element that has been present long enough to do so is unclear. The third criterion, regarding the socialization of new members and their education on how to behave within the group is quite visible due to the use of internal recruitment. By using this method one does not need to teach the internally recruited employee how to behave within the company’s culture, but one still faces the problem of refilling the position formerly held by the recruit. At a certain point one has to fill the gap with a member who is new to the organization and therefore has to be taught. Salesman 2 testified to the differences in structure between his old and new department when it comes to meetings. As a new member of the group of salesmen he was taught “how things worked” in his new department with more frequently meetings and in this way he has become socialized within this particular group.

As we can define a culture within the organization BMW Group Gothenburg, let us remind ourselves of the definition made by Van Maanen & Barley of the concept subculture:

“...a subdivision of the organizational members who often co-operate with each other, who identify themselves as a distinct group within the organization, who share a set of problems that the main part of the group agrees are troublesome and who by routine act with background in the unique, collective concept of reality of the group.”
Salesman 2 stated how he feels that the ambiance at BMW Gothenburg is unique, the only one of its kind. Our interviews have shown that the connection with BMW in Germany is almost insignificant and the feeling of we does not include BMW Group Sweden or BMW Group worldwide; it includes the people working at Mölndalsvägen in Gothenburg. There is almost no contact made with the organization’s employees outside this facility. As the passage above describes, there is a shared set of problems, the most current one being the lack of parking spaces. In light of the wishes and standards set by the local manager Tord, there does not seem to exist any bothersome uncertainty regarding how to behave and act within the group. In fact, all of our respondents give the same image of the culture at BMW Gothenburg.

This entire thesis is written from the differentiation perspective. We have focused on a smaller subculture within the organization BMW. By interviewing members of the subculture, BMW Group Gothenburg, we aimed to study whether there existed, according to them, any contradictions or similarities between their subculture and the larger organizational culture. BMW in Gothenburg has developed itself as a subculture under the contributing factors of a tight-knit group, close working relationships and the sharing of experiences ranging from ski-trips to test drives of new car models, as well as certain similar personal qualities such as cheerfulness and folksiness. Shared experiences as well as close working relationships tend according to Bang to develop shared feelings and perceptions in people’s mind. According to Bang a positive effect of this is the creation of unity and uniqueness, which our empirical data show has increased at BMW Group Gothenburg.

As BMW Gothenburg has separated itself by forming, consciously or unconsciously, a subculture; there is a question regarding how the relationship with other divisions within the organization appears to be. There is a certain level of support since the facility in Gothenburg relies for its supply on manufacturers abroad. One can say that the CDs containing ICS-standards constitute a support in how to behave, sent from the parent company in Germany. Even though the cultural differences between for example the facility in Stockholm and Gothenburg seem to be somewhat contradictory, with a stricter ambiance in Stockholm, it is difficult to say whether they restrain each other. In order to make such a statement, further investigation of the customers’ needs and preferences would have to be mapped out. The environment in Stockholm might very well be adapted to the type of customers they have. The answers given by Tord indicate a certain level of independence. He is free to act practically however he wants in his local market. Bang’s third type of relationship one subculture might have to another is one in which they work independently and therefore not affect each other. To say that the actions taken within the Gothenburg facility do not affect the rest of the organization would be taking it too far, but most of the cultural expressions within BMW Gothenburg seem to have infinitesimal effects on the rest of the organization. No one has yet reacted with much more than a frown to the differences that occur in the Gothenburg facility, a CEO with an office in the middle of the exhibition hall being one of them. Nevertheless, it is hard to agree with Bang who claims that subcultures can only be related to each other in one of the ways
shown while our study shows that it might very well be several, or bits of several of the ways Bang presents. As in most relationships, conflicts can arise. According to Bang, every organization containing subcultures must to a certain level contain conflicts, anything else being unnatural. The definition of a conflict is a “severe opposition that has to be solved”92. Based on the data we have collected we see no trace of such conflicts. The different subsidiaries are simply not in enough contact with each other for such antagonism to exist or develop. Our study seems to go against what Bang shows in his theory.

5.1.2 Culture and successful companies

“Having your cake and eating it too” is an expression borrowed by Peters and Waterman. As a consequence of the parent company of BMW controlling its subsidiaries in material aspects and the CEO of BMW Group Gothenburg wanting to create a more free and easy-going atmosphere at the workplace, this expression can in some ways also be applied regarding the organizational culture of BMW. Tord’s behaviour may be seen as deviant since, according to him, his approach towards the organization differs from the German approach. However, the fact that BMW Group Gothenburg is the highest selling BMW retailer in the Nordic countries may help explain why Tord’s way of organizing his staff is not being questioned by the parent company. If the situation were the opposite and the Gothenburg-retailer showed negative economic results, perhaps the loose level of centralized control would be exchanged for a stronger one by higher levels of the organization, for example by appointing a German CEO to manage BMW in Gothenburg.

In conformity with Peters and Waterman, the service advisor also emphasizes contact with customers as one of the most important components of success. Nevertheless, Peters and Waterman claim that if one cares about the customer, there is no room for taking any liberties. This assertion tends to conflict with the perception that if one is to put the customer in the centre, one must be able to take necessary liberties and suit oneself to the customer’s needs and expectations. By rigidly sticking to formal tasks and principles and being unwilling to compromise, one may disappoint the customer and fail to live up his or her high expectations regarding service. With the service advisor’s opinions in mind, this is one of the worse things one can do, since a good relation with the customer is essential.

German skill in technical innovations is something that the salesmen, as well as the CEO, emphasize. As Peters and Waterman argue, using the expression quality works as an incentive and a motivation factor, and the attention is concentrated towards the company’s ability to be innovative. This is applicable to many of the employees at BMW Group Gothenburg, who express the positive aspects of working in an innovative company. The fact that the innovation originally comes from Germany is something that they are aware of but not something they particularly stress. However, since the

92 Nordstedts Svensk Ordbok
innovation is mentioned numerous times by the majority of our respondents, it can be seen as something in common for BMW as a whole and something that everyone within the organization can relate to and be proud of, independent of which country they work in.

One thing that is stressed as vital in “In Search of Excellence” is the importance of common values within the entire organization. Nevertheless, these common values are hard to find within BMW. One easily finds them within the subcultures, BMW Group Gothenburg being our example, but common values for BMW as a whole are conspicuous by their absence. What is the reason for that? Maybe the group is too big, or perhaps the values are so obvious that the employees have difficulties expressing them in words in an interview situation. However, if reality shows that there are in fact no common values, which in that case contradicts much of the theories developed regarding this subject, it is of great importance to check that the different retailers do not work against each other when it comes to sales competitions, for example. Still, it is important to know that every retailer belongs to the same group and that this group has common goals that everyone has to strive for in order to gain success.

5.2 Cultural expressions

5.2.1 The Onion diagram

Symbols

In order not to confuse the reader, let us remind ourselves of what Hofstede sees as symbols. Symbols is the collective concept for words, gestures, images or objects connected to a special meaning for the members in a certain organization that may vary from the meaning for members of other cultures. During our interviews and observations at BMW Group Gothenburg we have come across some of the symbols we consider meaningful for the members of BMW Gothenburg. First, the entire building itself signals that it is a BMW-facility. The flags and signs display the company’s logo in a clear way. There is no confusion for the customer; they can be sure that this is a BMW-retailer. During our interviews we have understood that these are material factors that BMW in Germany controls. The expensive sofa in the exhibition hall is an example of this.

Inside the building there are objects that welcome the customer to stay a longer period of time, such as a TV that is turned on, newspapers and free coffee. The brochures that are placed next to every car work as a back-up in cases where the salesmen simply are too busy to take care of all the customers that enter the facility. At worst, the customer that is really interested can take home a brochure and return another day. There is a common trait among the salesmen in gestures signalling attention towards what is happening in the surroundings, like waving and keeping an eye on the exhibition hall outside of the own office. There seems to be a need to know what is happening in the environment that controls some of the gestures the employees make. What might add to
this is the fact that doors to all the offices are kept open, whether there is a telephone conversation in progress or a meeting with a customer.

**Heroes**

When asked about prominent individuals within the organization, the answers were rather vague. Salesman 1 emphasized the designer who was recently hired and changed the idiom of BMW, but other than that there were no names mentioned. This can be seen as a sign of the dissociation from much of the organization, since many of the prominent people that may have had a significant impact on the company and stories about them are not conveyed to the organization’s members. This could be a sign of a weak culture. It might be done deliberately in order not to shift focus away from the product, but we have no insight in this matter. Humans tend not to associate heroes with people in their surroundings; instead we think of kings or generals. As the employees in Gothenburg have negligible contact with members of the organization located outside of their facility, pointing out heroes might be hard, as they are simply too close for the staff to see them. A person that in this case unconsciously might be seen as a hero for the organization is the CEO. The new directions Tord implemented in the beginning of his career at BMW seem to have been greeted without major conflicts, and the changes they have led to seem to be welcomed and appreciated. X, who is the respondent who without doubt has been employed for the longest amount of time, pointed out how the we-feeling had increased in recent years. As the distance towards the employees decreases, the difficulty of seeing someone such as the CEO as a hero increases.

**Rituals**

According to Hofstede, rituals can be performed either without a specific goal for the organization, for example lunch, or with an expressed purpose, where the meetings are a good example. The meetings at BMW Group Gothenburg are stressed as very important, above all within the salesdepartment. They seem to have succeeded in making every meeting important for the employees; the feeling that some meetings are unnecessary is completely absent. Since our observations, as well the answers from our respondents, show a busy environment with many customers always visiting the retailbuilding; the salesmen do not have much time to talk during the work day. The meetings are therefore important because they give the employees the opportunity to discuss crucial moments from the work while at the same time important decisions are being taken.

Another ritual appearing at BMW Group Gothenburg is all the activities and events that are held outside the company building in order to create a cheerful atmosphere among all employees. These events are much appreciated. However, it seems that there sometimes being such a large number of events that the employees are not always able to join every event. In other words, events and activities arranged with the aim of creating an enjoyable atmosphere are excellent ideas for giving employees the chance to

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93 Tyrstrup M (2005) *På gränsen till fiasko – om ledarskapets vardag och det improviserade inflytandet*
see each other outside work, but one ought to keep a watch on the number of these events in order for them not become too numerous. In that case the employees may grow tired of them or fail to appreciate them as much as if they were held more seldom. The events should be something to look forward to!

Rituals can also be connected to motivation. Deal and Kennedy advocate the rituals of rewards as a way to motivate the employees. At BMW in Gothenburg we find a great example of this in the very much mentioned cake made by the sales manager. This seems to be a much appreciated ritual within the sales department and everyone talks about it with great excitement. However, one could question how often this ritual actually occurs? Selling 30 cars in one month seems to be a tough task to fulfil, and the fact that the sales manager himself bakes the cake may be another indicator of this being quite a rare ritual. What also would be interesting is to see how they relate to the fact that someone has actually reached the goal of 30 cars in a month. If everyone else encourages the salesman and congratulates him on the achievement, the motivational factor ought to be big. However, if the ritual more leans towards making fun of the sales manager and his baking skills, the sales achievement will not be equally noticed and the motivation may be smaller. Still, the ritual of the cake was mentioned by the CEO as well as by the salesmen in connection with motivation, and should therefore also be seen as a motivating factor.

Values and motivation
Motivated staff committed to their tasks is crucial for a company in order to be successful and competitive, a fact which has been made clear by several authors and researchers. However, the factors that motivate employees to work in line with the goals of the company are many and possess different characteristics. Even though the CEO mentions different kinds of motivating factors, he emphasizes monetary rewards as the main motivating factor for his staff. But this aspect is only applicable to the salesmen, since they get a commission for every car they sell. Interestingly is the difference in the respondents answers when it comes to motivation and rewards. The service advisor, who does not get a commission, is motivated by a good relation to and contact with the customers. And despite the fact that the CEO mentions the monetary rewards as an incentive for the salesmen, the salesmen themselves do not stress this factor as important. Instead, they feel that what motivates them the most to put good effort into their tasks is the working environment within the building at Mölndalsvägen, an environment described as enjoyable, easy-going and friendly. The monetary reward is of course important due to the fact that if one does not sell any cars, one’s monthly salary will end up quite low. Nevertheless, the majority of our respondents believe that their German counterparts are much more motivated by monetary factors than Swedes.

Another non-monetary motivating factor stressed by the CEO is the internal recruitment used within BMW in Gothenburg. To recruit someone internally may have positive effects regarding the unique culture that has been built up. It ought to be easier to pass on the culture, and the employee gets to grow within the culture and become even more
united with its values and norms. To always recruit people from outside the building may make it difficult to create a strong corporate culture that the staff feels comfortable with, and the process of growing into a new culture may be long and difficult. In spite of all these opinions regarding motivation, the most important thing perhaps is not what motivates the employees, but the fact that they really are motivated. Due to their different tasks, it is natural that motivation differs for every employee. None of the respondents, though, has any difficulties expressing the fact that he is motivated at work or the reason for this motivation. BMW Group Gothenburg can be seen as a great example of the statement made by Arvidsson regarding the fact that motivation does not only come with material rewards but also in the form of, for instance, the work climate.

Motivation through strongly rooted values is something emphasized by Deal and Kennedy. Nevertheless, as we have discussed earlier, it is quite difficult to find these strongly rooted values within the BMW group. “Joyful driving”, to stress the enjoyability of driving a BMW comparing to other brands, may be seen as a somewhat common expression and perhaps also a common value. However, this is nothing that the respondents discuss, and therefore a conclusion regarding a lack of common values within the BMW group is being drawn by the authors of this thesis. Still, in the subculture of BMW Group Gothenburg some basic values can be distinguished, the most prominent one being the importance of an enjoyable work environment where the colleagues are friends and where the atmosphere is cheerful and merry. By further creating this workplace solidarity, various events are held in order for the employees to get to see each other outside work. This appears as a strong, positive value which is also appreciated by the employees, but might it also bring negative effects? Salesman 1 expresses certain displeasure towards the fact that many events are held during the evening and weekends, meaning that spare time and time with family sometimes suffers. Another aspect which deserves attention is the always cheerful atmosphere. Of course a happy and enjoyable environment ought to be seen as optimal for the employees to get along well at work, but what happens if almost a compulsion to always be happy and in high spirits is created? It is important to keep in mind that the employees are just human beings, individuals with personal feelings and problems. It is natural to sometimes be in low spirits, and therefore one should be allowed to have a bad day without one’s colleagues frowning and otherwise reacting negatively. Support in success as well as in adversity ought to be the most important factor in whether or not one feels at ease at work.

The discussion regarding human beings and their needs has, among others, been developed by the psychologist Abraham Maslow, who categorized human needs and placed them in steps. Hofstede was one of the critics of Maslow’s theory, and in our comparison of organizational culture in Germany and Sweden, Hofstede’s theory regarding individualistic and collectivistic countries shows a similarity between these two countries. Both Sweden and Germany are individualistic countries and therefore quite alike when it comes to human needs within these countries. According to Hofstede, Maslow’s theory can only be adapted on individualistic countries, in other words it can be applied on human beings in both Germany and Sweden. The importance here lies in
the fact that even though we are investigating how the different organizational cultures of these two countries are perceived, in reality Germany and Sweden possess more similarities than differences. This also means that human beings in the two countries possess quite similar needs and behaviours, and as a consequence their cultures are not as different from one another as if one were to compare with a collectivistic country.

**Practices**

The leadership practiced in Sweden and at BMW Gothenburg in particular does not build on a hierarchical structure. The perception is that the organization in Germany has far more hierarchical characteristics, with a strict relationship between the managers and employees. According to Edström & Jönsson this is often the case; the company’s management is designed with the cultural norms as its foundation. The rather informal relationship between the management at BMW in Gothenburg was pointed out by all our respondents, who emphasize that they can speak with their manager in a relaxed and friendly way. As a role model the CEO signals what behaviour is accepted and what is not, talking behind other people’s backs being an example of the latter.

Although the public perception seems to be that BMW is an expensive and snobbish brand—a perception that BMW Gothenburg seems to work against—there are clearly positive effects of the brand working for BMW. There is an awareness of the brand’s significance and importance among the staff which is easy for an outsider to observe. The story told by Salesman 2 about how he sometimes ends up spending an entire evening out discussing his work with strangers is a clear example of this awareness. This, combined with the consumers’ reactions towards the brand’s marketing (which seem to consist of delight mingled with terror), constitutes the capital of the brand. As Melin states, a creation of value for the customer leads to an added value also for the holder of the brand. At BMW Gothenburg, this manifests itself not only in the fascination Salesman 1 gave witness to, but it also works as a motivational factor for the employees. One can say that by actively building a strong brand, BMW has differentiated itself from its competitors while at the same time, as a side-effect, managing to find a common trait that can work as a motivator for its staff, irrespective of where in the world its employees are located. The positive effects on the consumers in terms of self-fulfilment and the creation of a desired identity rub off on the employees that are the mediators of the good. The perceived minimization of risk by buying a product from a company with a strong brand works not only as a guarantee for the customer, but the employee may also experience satisfaction from working for a company they can define as “solid” and reliable.
6. Conclusions

The analysis tells a lot about interesting aspects in the empirical data but in order to tie up the sack conclusions have to be drawn. What is the answer we have found to our opening research question? The most important thing we have found is that it is possible for a subsidiary to more or less be disconnected from the culture of the parent company yet still be successful. The chapter starts with a summary of the perceptions made by the employees of their local organizational culture and how they apprehend its connection to BMW in Germany. Further we sum up what this possibly points to and give future recommendations.

“I am interested in the future. I am going to spend the rest of my life there.”

- C F Kettering

The ambition of this thesis was to investigate the employees’ perceptions of the organizational culture in a subsidiary of a successful company and its connection to the culture of the foreign parent company. In order to do this we have performed interviews and made our own observations at BMW Group in Gothenburg, which is a fully-owned subsidiary of BMW AG in Germany. The method that is the foundation of this work leads us believe that the data collected and used in this thesis are accurate and authentic, meaning that the conclusions made in this chapter are made on a solid base. Before we sum up the conclusions we repeat the research question:

How do the employees in a subsidiary of a successful company perceive their own organizational culture and its connection to the organizational culture of the foreign parent company?

6.1 Employees’ perceptions of their own organizational culture

The general opinion regarding the organizational culture at BMW Group Gothenburg is that there is a good ambiance and the relationships among the staff are seen as friendly. The relationships are to a low extent ruled by hierarchical position or departmental affiliation. The feeling of being among friends leads to work satisfaction, and this feeling is added to by the fact that many events are held outside the formal working situation. Positive attitude and folksiness are the leading personal traits of the members of this organization; this is the norm and what is encouraged. There is an awareness that BMW

94 http://home.swipnet.se/~w-30504/citat.htm Homepage visited 2007-05-21
Group Gothenburg is showing great economic results and is expanding at a fast pace. Due to the positive environment in all levels, motivating the staff is not problematic. The tendency is rather that the employees to some extent are too motivated, working on days off being an example of this. Even though there is an awareness of the own success, humility is seen as a crucial attitude. The employees at BMW Group Gothenburg see their organizational culture as unique within the sector and the group in its entirety.

6.2 Employees’ perceptions of the organizational culture in the parent company

The perceptions of the culture in the parent company, BMW AG Germany are vague and are mainly based on personal preconceived notions regarding Germans’ national culture and their way of acting within organizations. The only one with any real support for his ideas is Tord who has actually visited some of the German facilities and continuously has contact with German employees. However, he has not been involved in the German culture long enough in order to be considered to know it well, and has entered the situation with his own preconceived ideas. The opinions we did find among our respondents are similar to each other, and the distinguishing traits are that organizational culture in Germany is characterized by strict hierarchical structure and order. German employees are considered to be under much tighter control and some consider them to be exclusively motivated and ruled by monetary rewards. A contradictory opinion, or more correctly a wish, is that there are facilities in Germany with the same good ambiance as the one in Gothenburg, where the employees have fun together.

6.3 Connections

From a general point of view, the connections between the organizational culture at BMW Group in Gothenburg and its parent company in Germany brought out by our respondents are quite few. The connections emphasized are of a materialistic character in order for the customers to recognize where they are whether entering a facility in India or in Sweden. Clothes, furniture and other interior design exemplify this. The strongest connection lies in the products; the good and its technological development. Since there is no manufacturer located in Sweden and all product development is performed in Germany, a strong bond exists. This further leads to the building and maintaining of the brand. The strong brand has mainly been built up in Germany and its status has been transferred to the Swedish market. The responsibility for the marketing locally lies with the local facility and its employees, and therefore it may be hard for the employees to see the marketing connection with Germany. The main focus lies on local events. In Gothenburg the focus lays on getting rid of the label as a snobbish brand and making BMW folksier. There is a balancing act between creating a folksy brand and still
maintaining BMW as a status symbol. The risk is that a conflict occurs between the traditional status image and the new image.

6.4 What do we make out of this?

BMW is a successful company with subsidiaries spread all over the world. It has managed to remain on the market and expand over the last century. According to the literature we have read, to accomplish this a strong, common corporate culture is of great importance. However, our study shows that this might not be the case. Our respondents do not see any great connection to their parent company and never think about the fact that BMW originally is a German brand. It is hard to pin out a common “BMW-spirit”, which permeates the entire organization. The only trace of commonness we find is materialist artefacts which originate from Germany for all the retailers to adopt. The employees at BMW Gothenburg highlight their own culture which they see as unique. The local culture has obviously had the greatest impact on the corporate culture at BMW Gothenburg compared to any common culture within BMW as a whole. Still, the fact of the matter is that BMW is a successful company. If theory is discrepant, how is this possible? The key probably lies in the basic concept of the company, its product or service. These ideas are strong enough to cross national borders and be welcomed and adopted by individuals in different cultures. In these different cultures they are managed by persons deeply rooted in the local culture where a multinational company seeks acceptance for its product. An important factor lies in giving liberty of action to these competent, local managers so that they can form a working place and culture which perfectly fits the cultural conditions, nationally, regionally, sector- and company-wise.

6.5 Further recommendations

BMW may be a successful company now, but a successful company always has to be prepared for downward trends. After our study we see potential for further actions to strengthen the organization. Even though the results show that things are going well without any real interaction amongst the employees within the group, some kind of communication, possibly in the form of mentorship, could be an interesting idea. Even though the employees in Gothenburg do not seem to have any interest in doing so, by connecting, for example, a salesman in Sweden with three salesmen in other BMW-countries a greater “we-feeling” can be achieved. A simple thing like mail contact can work as a way to support, encourage and give advice to one another. By getting reports on the business situation in another country, the possibility to better understand and handle one’s own situation can be gained.
6.6 Further research

Based on our thesis and the knowledge we have gained during the process of writing it, we have discovered areas that would be interesting to investigate with further research.

- An equivalent study on a company where the economic results classify it as an unsuccessful company. Is the situation different here? Is there a stricter control from the foreign parent company?

- Perform a similar study with access to both a facility in a subsidiary country and the facility of the foreign parent company in order to make comparisons.

- How do other subsidiaries in Sweden with parent companies in Germany perceive their organizational culture and its connection to that of the parent company?
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Dagens Næringsliv Morgen, 2006-05-11 p. 40


Interviews


Salesman 1, 2007-05-10, Mölndalsvägen

Salesman 2, 2007-05-10, Mölndalsvägen

Service Advisor, 2007-05-10, Mölndalsvägen
Appendix 1 – Interview guidelines

Name:
Position:
Time at the company:
Age group:

The history of BMW
- Can you tell us something about the history of BMW? When was the company founded? By whom? Are there any prominent persons that you know of?
- Can you tell us anything about significant events from the history of BMW?

Relationship with the organization
- How do you like working at BMW?
- What do you appreciate from colleagues?
- What advantages/disadvantages can you see in working at BMW?
- If you had the opportunity to change anything within the company, what would that be and why?
- What differences can you find at BMW compared to earlier jobs you have had?
- How would you describe the people working here? Do you think it looks the same in a similar work place in Germany? What might be different according to you?

The image of BMW
- What kind of image of BMW do you think an outsider has?
- If you compare BMW to other companies within the industry, what similarities and differences do you find?
- Imagine reading a newspaper and suddenly a big article about BMW appears. What is the headline and what does the article say?

Cultural expressions
- Which happenings are celebrated at BMW? Birthdays, new employments etc.
- Describe your meetings! Are they carried out in an optimal way according to you?
- What is appreciated here? What is not appreciated here?
- What motivates people at BMW? What do you think motivates similar people in Germany?
- How is the relationship between employees and management? Do you think the relationship looks similar in Germany?
- How do the employees spend time with each other outside the work place?
- Is there anything you would like to add or expound?
Appendix 2 – Bang’s five criteria

Which demands should be put on an informer?

1) The informer should be well “culturized”, i.e. he should know the culture so much from the inside that it has become natural for him. Then we are talking about people who have lived during a time within the culture – at least one year.

2) The informer should live in the culture today. One who has lived in the culture during a long time but who does not live in it today can quickly start to distort data since the person concerned no longer has daily contact with the culture.

3) The cultural scene should be relatively unknown for the interviewer. If the interviewer has good knowledge in advance about the culture he is going to study, he risks overlooking important parts of the culture – the obvious or what is taken for given. Besides, some of the interviewer’s questions may seem “stupid” for the informer since “the interviewer already knows the answer”.

4) The informer must have enough time in order to work as an informer. When mapping out a culture, the informer is often interviewed several times and several hours every time. It is important that the informer is a person who is willing to set aside the time it takes to carry out the interview and that there are not always interruptions during the interviews.

5) The informer should not be especially analytic when it comes to his own culture. He shall be the one he usually is during the interview and not try to put “researcher expressions” on cultural phenomena within the organization. The informer can gladly come with hypotheses and assumptions regarding why phenomena within the culture are the way they are, but in that case he shall put forward these hypotheses as a member of the culture – not as some sort of outstanding researcher.