

# On Translation and Evaluation in Local Wage Setting

A Case Study on Sweden: The Local Wage Setting Process Within a Public Relations Agency

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Supervisor: Bengt Larsson Examiner: Karin Allard

# **Abstract**

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Keywords: Categorization, evaluation, legitimation, translation, wage setting

Purpose:

The purpose of the study is to describe how employees are being translated and evaluated through the organizational wage setting process within a Public Relations agency in Sweden. Subsequently, this study aims to provide with a deepened understanding of how individual behaviours and performances are translated and consequently objectified resulting in a final individual worth in a quantitative scale in the distribution of wage.

Theory:

The theoretical framework used in this research is formed by Translation and Evaluation theory. These two perspectives were further developed by adding supplementary concepts that connect and strengthen the two main theoretical frameworks.

Method:

This study assumes a qualitative approach composed by a case study design as discussed by Yin (2013). In addition, 9 qualitative interviews were held on three organizational levels which moreover were recorded, transcribed and analysed in relation to the methodology presented by Saldaña (2009). Finally, the study undertakes the ethical considerations as stated in the Swedish law (SFS 2003:460).

Results:

What the empirical findings revealed were that local wage setting in fact is a far more complex process than stated in earlier conceptualizations. It also showed the importance of having instruments in this process, supporting the process of translation and evaluation when objectifying behaviours and performances. Finally, the results exposed that the sequences of translation and evaluation were numerous and experienced different and similarly by organizational actors, and moreover displayed the importance of classifications and categorizations. Aspects which consequently tend to steer behaviours and performances into a shared sentiment in what that is of organizational value.

**Foreword** 

Thank you!

First, I want to address my gratitude to my supervisor for this thesis, Bengt Larsson who during

these stressful months has contributed with many wise recommendations which helped me to

increase my ability of reflection and scientific understanding. Your questioning and guidance

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Fredrik Jarhäll

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# I. Introduction

During the 1980s and 1990s the Swedish labour market transformed from having a centralized wage formation process towards a more decentralized and flexible system (Lundh, 2010). As argued by Lundh (2010) it could thus be found that the wage formation on the Swedish labour market began to be displaced from the central (makro level) context towards the local level (meso and micro level) and the organizations as such (ibid:279; Larsson, Ulfsdotter Eriksson & Adolfsson, 2017). This shift was characterized by the displacement from the coordinated and central negotiations with the slogan of "equal pay for equal work" into what Lundh (2010) describes as negotiations and performance systems on the local level, if still in the presence of different collective agreements (Larsson, Ulfsdotter Eriksson & Adolfsson, 2017).

This transformation may be discussed as a decentralization and decollectivization, or even a "controlled decentralization of wage setting" in Swedish industrial relations (Ibsen et al. 2011: 326; Baccaro & Howell, 2017). This decentralization of wage has increased the responsibility of managers to perform the valuation of employees' work locally (Karlsson et al. 2014; Larsson, Ulfsdotter Eriksson & Adolfsson, 2017). This change also increased the need for transparent, legitimate and uniform wage policies, processes and criteria most common developed by HR. A remaining problem is thus how decentralized valuation of employee's worth is carried out, i.e. how individual behaviours and performances are *translated* into economic values, that is to *(e)valuate* it. HR subsequently has an important function in developing clear wage policies and generating systems for how employee's behaviours and performances are to be evaluated by wage setting managers in relation to eventual collective agreements (Karlsson et. al.,2014; cf. Neu Morén and Lindvall 2013).

Until today, there have been only a few studies about individual wage setting even though it has support from many institutional actors in Sweden, such as the unions, employees and employers (Carlsson & Wallenberg, 1999). Earlier research does not focus individual wage setting solely, instead some studies focus different characteristics on the labour market which in turn affects the wage setting practices. Despite this there are nonetheless several studies researching in how collective agreements and the relation between the labour market parties are functioning on the Swedish labour market (e.g. Fransson & Nätverket jämställda löner, 2011). What there has been less research on is moreover about how it operates on the local level when setting final individual wages based on performances and results systems. How can you for

instance understand the evaluation of individual behaviours and performances, and how are these translated to a quantitative scale of wage? This bisectional question consequently leads to the development of following aim and questions of this research.

# 1.1 Research Aim and Questions

The purpose of the study is to describe how employees are being translated and evaluated through the organizational wage setting process in a smaller Public Relations agency in Sweden. More precise, is to show how certain individual behaviours and performances meet different evaluative elements. This study subsequently aims to provide with a deepened understanding of how these behaviours and performances are translated and consequently objectified resulting in a final individual worth in a quantitative scale in the distribution of wage.

Additionally, following research questions have been developed:

Q 1 How can the whole chain of translation and evaluation be described and what sequences of translation and evaluation does this chain consist of?

Q 2 What quantitative and/or qualitative instruments are used for enabling this process?

E.g. instruments such as wage policies and appraisal criteria (quantitative), and meetings and individual rationale (qualitative), used by managers for translation and evaluation of individual behaviours and performances into wages

Q 3 What kind(s) of employees are attempted to be shaped through this process?

I.e. what disciplinary, selective, motivational and other effects it has on individuals

For enabling answers to these three research questions, it is moreover important to analyze how the different organizational actors experience the whole chain of translation and evaluation, along with analyzing their experiences of the processual embedded elements of translation and evaluation. The theoretical anchoring in these questions is additionally moreover defined and elaborated in the section "Theoretical Framework".

# II. Individual Wage Determination: Concepts & Previous Research

Individual wage determination is a wide concept that needs some elaboration and definition since it consists of different kind of principles and practices. This section will consequently elaborate with concepts of reward systems and variable pay in international research, and then concentrate previous research on individual wage setting in Sweden.

# 2.1 Reward Systems and Variable Pay

A good starting point in discussing reward systems is Eurofounds (2016) overview of definitions regarding those financial rewards that are used in different labour markets within the European Union (EU). Eurofound (2016) states that pay in its entirety is the underpinning aspect in the relationship between the employer and the employee, roughly defined as base pay. In addition to the fixed base pay there are additional rewards used to enhance motivation, here defined as variable pay and employee benefits (Figure 1.; Eurofound, 2016). One clarification regarding variable pay in the Swedish context is that part of the variable elements system functions as a system to generate dispersion in the final base pay, and not as its own system per se which generate the final outcome of worth for the individual (Figure 1: Sweden). This clarification will be further examined under the part: "Research on Local Wage Setting in Sweden".

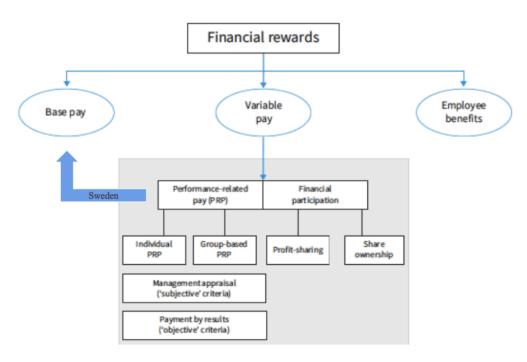


Figure 1. Overview of definitions. (Eurofound, 2016).

This study will focus on the supplementary part of variable pay (Figure 1: The grey area). As can be seen in the model, variable pay is in turn divided into Performance-related pay (PRP) and Financial participation. As stated by Gerhart and Fang (2014) pay for performance (PFP) has at least three features; result-oriented or behaviour-oriented performance measures, performance measured at the individual or combined level, and what degree of incentive there is. About what the positive effects of PF(I)P or PRP are, they argue that "/.../ pay influences performance via two mechanisms – *incentive* effects and *sorting* effects" (Gerhart & Fang, 2014:45; Figure 2; Eurofound, 2016).

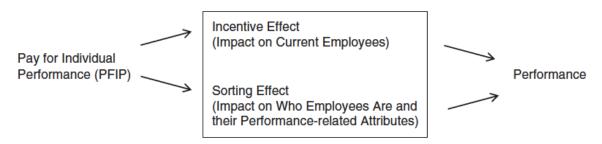


Figure 2. Incentive and sorting effects. (Gerhart & Fang, 2014).

The incentive effect has a positive impact on current individuals/employees' behaviour and thus performance when for example changing the organizational pay strategy. The sorting effect rather focuses how pay impact the individual core (who you are) and further what attributes you bring to the organization. That PFP i.e. help the organization to steer in certain ways which either, or both, leads to an impact on the current workforce or a sorting mechanism where the change in pay strategy forces some individuals within the workforce to resign (sorted by PFP) (Gerhart & Fang, 2014). There are however also negative outcomes according to the authors, for example; situations where pay do not seem to correlate with motivation or are so in a negative way. In addition, PFP does not fit organizations dependent on teamwork and group performance, or in all national cultures, due to cultural differences in what is being experienced as value (Gerhart & Fang, 2014).

As discussed by Lewis (1998) the process of how Performance-related Pay (PRP) is performed is important to study to "/.../ identify the performance management processes which are fundamental to the successful implementation of PRP" (Lewis, 1998:66). The author shows in Figure 3. below the stages or processes needed for increasing the likelihood of PRP getting accepted.

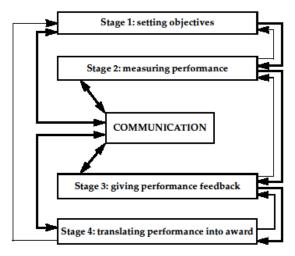


Figure 3. The PRP process. (Lewis, 1998).

Lewis (1998) concludes accordingly in relation to this model, that there are needs for setting clear objectives related to PRP. Clear objectives which in turn helps to develop standards needed for measuring certain performances. Moreover, the author argues that this needs to be communicated and thus by providing feedback to the individuals whose performances are being evaluated. When this process of PRP is clear, transparent and communicated, it is then legitimized to interpret these performances into an outcome (award) (cf. Karlsson et. al.,2014).

# 2.2 Research on Local Wage Setting in Sweden

The transformation of the centralized wage formation process towards a more decentralized and flexible ditto discussed in the introduction, mean that today the individual employees' worth to a higher degree is constituted by the outcome of local organizational results and individual performance, than by central negotiated agreements and macro-economic factors (Giertz, 2011). The Institute of Mediation in Sweden (2018) shows for example that 39% of the total wage in Sweden today is distributed on a local level, while 53% is distributed both on a local and central level, and that 8% of the total is negotiated only on a central level. In other words, that 92% of Swedish workplaces have elements of local wage setting whereas 8% still use central negotiated agreements (Medlingsinstitutet, 2018).

An example of this development is Granqvist and Regnérs (2011) study on the decentralized wage formation of graduates in Sweden, where central agreements are constructed on a local level, resulting in local wage negotiation (salary talk). A process where individual performances (e.g. results and developed competences) are interpreted and valuated by wage setting managers, resulting in a certain individual worth and wage dispersion. Results that guide what

performances that are being positively and/or negatively valued (cf. Gerhart and Fang, 2014). Concluding is thus that the model of the salary talk has developed into a fundamental guideline for the decentralized wage formation. A guideline dependent on regular use for maintaining the fundamentals of the intentions with decentralized wage formation. Granqvist and Regnér (2011) accordingly argue a clear strategy on behalf of the use of the local wage setting, with today's absence of clarity. An absence resulting in defective local wage processes with privations of salary talks and lack of clear wage setting mandate.

Research moreover examining the development of local wage setting is e.g. Alsterdal and Wallenberg (2010) who examine local wage setting in practice and its implications within municipalities where important aspects of individual wage setting are established in local context, combined with top level strategical decisions effects on the local context. One conclusion is that there must be local solutions to individual wage setting (cf. Czarniawska & Sevón, 1996). The contributions are three main learnings where there first need to be an understanding of the system, secondly that wage setting needs to be related to its context, and third that the municipalities working from a cross thinking perspective contributes to additional learnings. Neu Morén (2006) additionally examines wage setting in a firm focusing managers' capacity of action during pay setting and how this capacity is affected by sets of regulations and resources. Findings here are three conclusions; that the manager can affect the capacity of action, secondly that different capacity of actions are suitable when actors meet differences in regulations and resources. Thirdly, that the enforcement of individual wage setting is problematic since the results do not seem to match the managers' expectations (policy to practice problem) (cf. Czarniawska & Sevón, 1996; Larsson, Ulfsdotter Eriksson and Adolfsson, 2017). Aspects which are not questioned as argued by Neu Morén (2006).

Karlson et al. (2014) further research the local wage setting process in private sector. Aspects examined are; authority/power in wage setting, the enforcement of collective agreements, the role of unions, and the cornerstones of wage setting. A concluding remark here is though the need of understanding how the developed policies are being evaluated and experienced in practice by all actors involved. A recurrent aspect when considering earlier research, which thus can be worth putting effort in. Something that also Granqvist (2007) discusses since the Swedish labour market faces an increase in decentralization and individualization (cf. Bengtsson, 2008). Concluding, Granqvist (2007) discusses that the new flexible form of wage setting on the Swedish labour market stresses "new" sorts of managers, employees and

representatives from unions. Thus, how the new focus on the micro level i.e. can be seen in relation to the macro ditto which in turn is of importance for further research (Granqvist, 2007).

# Wage System, Policy, and Process

There are consequently several elements that influence final base pay wage in Sweden (cf. Eurofound, 2016). Larsson, Ulfsdotter Eriksson and Adolfsson (2017) describe local wage setting in Sweden as a three-piece conceptual reward system composing; wage system, wage policy, and wage process. The discussion is about the wage system as something more than wage per se (e.g. employee benefits). Strategically, this system contributes to steer those aspects that stipulate organizational progress, such as behaviours which in turn results in wanted performance (cf. Gerhart and Fang, 2014). In addition to the wage system is the wage policy (reward policy), a policy containing clear developed objectives (cf. Lewis, 1998) that ought to form the desired organizational direction by framing and specifying the embedded values of the management (Larsson, Ulfsdotter Eriksson & Adolfsson, 2017). Armstrong (2012:455) points out seven aspects that a reward policy could include, aspects such as; paying for performance and results, and other forms of financial rewards (cf. Eurofound, 2016). Above these financial rewards, Larsson, Ulfsdotter Eriksson and Adolfsson (2017) also point out rewards that are non-financial, connected to the psychological aspects in work (e.g. individual development).

The third pillar in local wage setting illustrates wage setting as a process. Of importance for this study is the final two steps in this process which help to stipulate the final wage; wage criteria, and individual wage setting (Larsson, Ulfsdotter Eriksson and Adolfsson, 2017). Related to the conceptual argumentation under "Reward systems", this moreover strengthens the discussion about variable pay as additional wage on base pay, and not variable pay as a singular reward system on its own. It is consequently relevant to now describe those aspects that are constructed in practice and thus on local organizational level (micro level).

It is subsequently on the micro contextual level that the policy is being concretized in practice by the wage setting managers, and it is here the wage setting managers objectify the world, inter alia with strategical support from upper management and the developed wage system and policy (Larsson, Ulfsdotter Eriksson and Adolfsson, 2017; cf. Latour, 1995/1998). The wage criteria moreover have two strategical purposes; communicating what is being cherished (cf. Gerhart & Fang, 2014), and as an evaluative element for setting, or instrument of steering, the final individual wage (cf. Lamont, 2012). The criteria thus have a value for giving the wage setting

manager objective tools (cf. *Devices* Lamont, 2012) for the overall evaluation of individual performance which in turn results in final worth in form of an increase or not in the final outcome of wage (cf. base pay Eurofound, 2016).

In addition to the wage setting process is research on employees' experiences connected to justice and salary satisfaction. Andersson-Stråberg, Sverke and Hellgren (2007) i.e. underline that individualized pay (e.g. PFP) typically is assumed to motivate employees, something that though must relate to the conception of a fair wage setting process. The results state that the increase of individualized pay processes has eventuated in organizational challenges in how to communicate and articulate aspects related to wage setting, such as; goals, pay criteria, information etcetera. and the development of "/.../ effective procedures for performance reviews" (ibid:453; cf. Lewis, 1998). Stråberg (2010) further examines employees' attitudes and perceptions of fairness in relation to the wage setting process and working climate. The findings are though that there are aspects in the wage setting process which in turn make the circumstances more complex. For example, that there is no clear association concerning employees' performance and received rewards. Something that i.e. effects the effectiveness in the wage setting process. Concluding is also the importance of setting up individualized paysetting system in a way that fit the specific organizations circumstances (cf. Czarniawska & Sevón, 1996).

# III. Theoretical Framework

In this section, there will be a presentation of the chosen theoretical framework of the study. The two main theories discussed here will first be that of *translation* and second that of *(e)valuation*. The choice of translation theory lies in the starting point of that an object, in this case an individual, travels or translates throughout the wage process in one specific context. A travel or translation process which in turn meets various kinds of bumps during the way which in turn can be explained by the individual being evaluated. The (e)valuation theory thus comes in as a theory which seek to provide a broader knowledge about what happens during the translation processes and further explain those valuation processes that occur when individuals travel. In the next parts of this section, these two perspectives will be further explained and later developed by adding additional concepts that connects and strengthen the two main theoretical frameworks.

# 3.1 Translation Theory

To get a broader understanding of what translation theory is the reader first need to know from where it has its theoretical roots and how it has been developed and adapted in different contexts during time. Parts of the theory that laid ground for the perspective of translation was the actornetwork-theory (ANT). Latour (2005) makes an introduction to the ANT where the author short discusses that one by itself cannot generate its own creation like in a vacuum. Instead the ANT proposes that these creations (e.g. artefacts and organizational structures) are being coloured by its surrounding factors and thus co-created by different actors involved.

The development of translation theory was mainly a reaction to the perspective of diffusion which suggest a physical process. Czarniawska (2005) discusses diffusion as a perspective where organizational change has been developed where there has been great inventiveness such as the top management and industrialized countries which later has spread to lower levels. In relation to this, Czarniawska (2005) refers to Latour's (1998) discussion where ideas do not travel in vacuum but instead are confronted by friction which in turn means that an idea cannot be expected to be the same as intended. Instead Czarniawska (2005), in relation to Latour (1998), points out that idea spreading needs to be understood as a collective creation process as stated by the ANT. What translation theory explains and describes, in relation to other theories about e.g. diffusion, is that idea-spreading is never to be as intended since it encounters various kinds of actors which in turn interpret it, or as Latour (1986) first stated "/.../ each of these people may act in different ways, letting the token drop, or modifying it, or deflecting it, or betraying it, or adding to it, or appropriating it" (Czarniawska & Sevón, 1996:23). The main assumptions with the theoretical framework is short that the originate idea is being translated into an object which in turn is translated into an action and later translated (repeated/stabilized) into an institution (Czarniawska & Sevón, 1996).

### Translation as Objectification

As explained by Latour (1995/1998) we tend to transform and *translate* our world (monde) which in turn make the object more prone in duration and the length and speed in which it travels. By objectifying our world, people i.e. make it visible and graspable for others who encounter the object. An objectification which in turn consists of a reference to fill the gap (Coupure) between the world and the language as argued by Latour (1995/1998) (Figure 1.). Or as a direct quotation of the author points out; "What now interests me is the transformation of the world (Monde) captured in words (Langage)" (ibid:257).

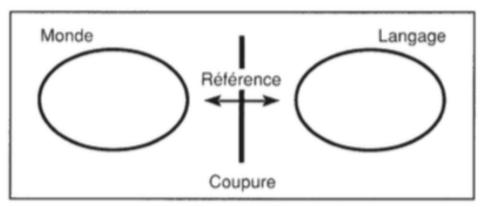


Figure 1. Single element of translation. (Latour, 1995).

Latour (1995/1998) additionally points out that this first construction of the world is one part of many elements which constitutes a bigger reversible chain of the re-representation of the world (Figure 2.). For understanding or finding a phenomenon representing the world there needs to be an understanding of the whole re-representation of the reversible chain in which phenomenon are to be found. For understanding the important aspect of the travel of phenomena Latour (1995/1998) goes back to the reference where the gap meets new matter in which phenomena forfeit attributes to win new ones in the next step of the process.

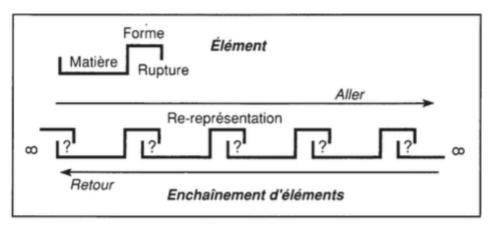


Figure 2. Chain of translation. (Latour, 1995).

One practical example of this theoretical framework is Kjellberg and Helgessons (2007) study of the chain of translation producing customer segments on markets (Figure 3). From Latour's (1995/1998) perspective the world "customer segments" (phenomena) are understood through this chain of translation. In other words, that people go out in the world to find references for helping us understand the phenomena. This is illustrated by the first mentioned authors when they state that "we need to address how landscape paintings were transformed into garden

designs, and then into rolling hills, sparkling ponds and beautiful shady groves; but also how gardening over time may contribute to modify both current norms and representations of gardens" (Kjellberg & Helgesson, 2007:144).

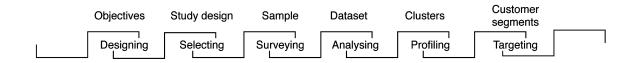


Figure. 3. Objectifying the phenomena. (Kjellberg & Helgesson, 2007).

This theoretical perspective may thus be used to see local wage setting as an ongoing process in which organisations translates individual behaviours and performances into wages. More precisely: how wage policies are translated into performance criteria, how these translate and thus evaluate individual behaviour and attributes along with performance of any kind. A translation which in turn results in a certain amount of increase in individual wage. In relation to the statement by Latour (1995/1998) above, it is accordingly interesting to see how the chosen firm transform the individual into a common language which in turn affects the outcome of the wage for the individual employee, i.e. (e)valuating the individuals.

# 3.2 (E)valuation Theory

The concept of *(e)valuation* here implies that translation processes of this kind encompasses both valuation practices and evaluation practices (Lamont, 2012). Lamont (2012) defines it by stating that valuation practices comprise those aspects that relate to giving worth or value, while the second, evaluation practices, are about assessing how something (in this case an individual) reaches a certain worth/value. In relation to the Sociology of Valuation and Evaluation (SVE) the author further discusses that it focuses evaluation as it emerges in experiences and practice "/.../ in what people spend their time doing, through latent or explicit dialogues with specific or generalized others /.../" (ibid:205). According to Lamont (2012) evaluation is thus a social and cultural process which can be attested through three interconnected segments. The process of establishing value consists of what Lamont (2012) explain as an "/.../ intersubjective agreement/disagreement" (ibid:205) on a sheet of measures (matrix) or references in which the individual or the entity is being compared. It also contains negotiation in relation to what and whom the entity is being evaluated against/from. Finally, Lamont (2012) points out that value is established in the relational process in which entities are being differentiated and compared.

Lamont (2012) also argue the importance and primal function of having instruments or tools for evaluating the entity. Instrument and tools which are being defined as *devices* which in turn are necessary for understanding the construction of value. Devices connected to this study can be those that help wage setting managers to measure a certain quantitative performance which in turn functions as a device of evaluation (e.g. the wage criteria).

As stated in the introduction to this section, translation is in the case of wage setting at the same time an evaluation. In relation to Figure 1 (Latour, 1995), this means that there are individuals (in the world) with a certain set of attributes and performances which in turn are to be translated into an object (e.g. wage criteria) which in turn functions as a tool of evaluating individual outcome. Through the individual journey there is thus a travel with evaluative elements for objectifying the world, i.e. individual behaviours and performances.

# 3.3 Concepts of Translation and (E)valuation

Translation in the case of wage setting is, thus, at the same time a process of evaluation. When placing these two theoretical perspectives in relation to one another, an approach may be developed that helps the study of the wage setting process.

### Categorization & Legitimation

Lamont (2012) argue that several sub processes influences or contributes to the evaluation and thus also translation processes. To evaluate there is a need of *categorizing* for understanding in which category the entity belongs. In other words, to objectify the world, there need to be ways for helping us sort and distinguish the content of the world, therefore to categorize (Latour, 1995/1998; Lamont, 2012). Aspects that in turn relates to the discussion of Gerhart and Fang (2014), where pay influences and thus impacts on employees' behaviours and who they are. Effects of pay that subsequently results in categorisation (*Sorting effect*) of individuals and further generates positive outcomes regarding individual performance and organizational progress (Gerhart & Fang, 2014). Consequently, there are several steps when categorizing where the first and broader category helps to categorize the entity further. *Legitimation* on the other hand, Lamont (2012) defines as a concept that helps to understand how an entity obtains a certain value. Legitimation hence "/.../refers to recognition by oneself and others of the value of an entity (whether a person, an action, or a situation)" (ibid:206). For contextualizing these concepts, some sort of categorization is being made when evaluating individual qualitative and

quantitative performances. A categorization which in turn is legitimized or not by the degree in recognition from others.

# Doing Things with Numbers

Another concept or perspective that relates to these evaluation and translation processes is that of Espeland and Stevens (2008) in *A Sociology of Quantification*. In relation to Latour (1995/1998) and Lamont (2012) they argue; "Like words, numbers also can be evaluated in terms other than their accuracy as representations, although accuracy is a common criterion for evaluating numbers" (Espeland & Stevens, 2008:403). How *evaluating numbers* relates to this study is for example when performance is to be translated into a value which in turn leads to a specific financial amount. In this translation process is thus an aspect where the wage setting manager evaluate a performance by quantifying this performance into numbers. Numbers which in turn can be 1-5 where 1 equals that the individual live up to the expectations in low extent, and 5 that the individual live up in high extent. A form of matrix evaluation that moreover helps to guide the manager when setting the final pay (cf. Granqvist & Regnér, 2011). There is thus need for a development of the model presented by Latour (1995) (Figure 1.) since there has been an increase in the demand of quantifying and not only lettering social phenomena for understanding the world, creating a common numerical language (Espeland & Stevens, 2008; Figure 4.).

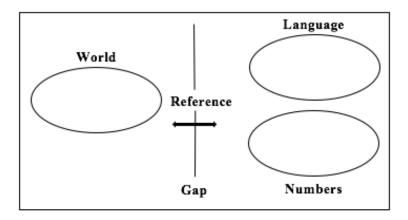


Figure 4. Developing Figure 1. (Latour, 1995).

As definition, Espeland and Stevens (2008) argue quantification as something that produce and communicate numbers. The distinction of the definition is that of; numbers that mark, and numbers that commensurate.

In relation to categorization, *numbers that mark* are a way of identifying specific objects which in turn, more developed than categorization by itself (Lamont (2012), distinguish objects in a qualitative, categorical and meaningful matter and not in a quantitative measurable ditto (Espeland & Stevens, 2008). Connected to this research, numbers that mark can here be related to numbers that mark soft values in a meaningful matter which in turn cannot be commensurable with other soft values. Example of this can for instance be in the evaluation of individuals' contribution to the performance of their colleagues. A contribution which in this case will be hard to commensurate and measure in relation to others. *Numbers that commensurate* on the other hand, focuses the quantitative and measurable categorization. In other words, the evaluation of different objects (e.g. individual performance) with a common gradation (e.g. wage criteria and results contribution) (Espeland & Stevens, 2008). To commensurate with numbers, the authors argue, is a process of creating a specific relationship between objects and thus "/.../ encompassing them under a shared cognitive system" (ibid:408). In relation to the argument Espeland and Stevens (2008) also points out that this process as well distinguish the objects and further to what it differs from or is equal to.

Two other concepts further discussed by Espeland and Stevens (2008) are how numbers generate *reactivity* and *discipline*. In this case, how a certain positioning in an index can generate an individual response to that number which in turn can function as something that transform individual behaviour connected to it (cf. Gerhart & Fang, 2014). Reactivity is thus a response to measures which in turn induce individuals to think and act in a different way. As discussed, discipline is also a form of reactivity but, as argued by Espeland and Stevens (2008), in a more distinctive matter. Disciplinary practices are consequently a way of steering certain behaviour by stating what is expected (Espeland & Stevens, 2008). The authors moreover discuss another perspective on reactivity in which measures create or reinforce the categories that are applied to envisage human beings, a process and perspective framed by Hacking (2007).

### Kinds of People: Moving Targets

To understand or objectify kind(s) of people one must, according to Hacking (2007), first *classify* (i.e. categorize). What moreover is the main purpose for Hacking (2007), is to understand the classifications of people, and how these classifications move the beings classified, and consequently "/.../ how the effects on the people in turn change the classifications" (ibid:285). In relation to this statement, the author accordingly presents two slogans, that of; 1) "making up people" and 2) "the looping effect". The former is relating to

what that is being constituted by classifications, that a classification can "make people up" and therefore result in new kinds of people as a form of reactivity as discussed by Espeland and Stevens (2008). Hacking (2007) also implies that people are moving targets since we are making up people, changing them by classifications, resulting in new kinds of people, a process of change defined as the looping effect. Connected to local wage setting this can additionally be used for understanding what effects decentralized wage formation have besides change in wage (e.g. changing who you are, cf. Gerhart & Fang, 2014). Interesting aspects which later will be elaborated and discussed for answering the third research question.

For making up people Hacking (2007) additionally presents an analytical framework and model for understanding the process of making up people, a framework embracing five interactive elements. The first element is that of a) classification into kinds of people, the moving target, a classification which moreover often falls within a certain type of category per Hacking (2007). A category in the case of the thesis can be that of employees which additionally has classes contained in the category (e.g. consultant, senior consultant, manager etc.). Secondly, there is b) the individuals and peoples in these different types of classes. In the case of this study, that the class of consultants embrace different individuals who in turn can be old or young, a man or a woman, high-performer or low-performer etcetera. It is thus here that the individual characteristics are to be found and/or categorized. In relation to this understanding there is additionally c) the institutions which secure these classifications. Institutions which in the context of the case can be that of the organizational structures and devices (c.f. Lamont, 2012) which secure and steer the ways things are and should be done. The process further covers d) the knowledge about the kinds of people, or the people in the classification, in focus. Knowledge that furthermore can consist of certain characteristics, extrovert or introvert, etcetera. This knowledge is pursuant Hacking (2007) accordingly more known to e) experts that are closer to the kinds of people. These experts can, in relation to the case, here be the wage setting managers since these are the ones more close and detailed informed and aware of the individual attributes and performances. The summary of the interactive five elements is concluded as: "Finally there are (e) the experts or professionals who generate or legitimate the knowledge (d), judge its validity, and use it in their practice. They work within (c) institutions that guarantee their legitimacy, authenticity, and status as experts. They study, try to help, or advise on the control, of the (b) people who are (a) classified as of a given kind" (Hacking, 2007:297).

Assembling the theoretical framework, the parts of translation and evaluation are to be used for answering the first research question about how the overall process and its embedded elements of translation and evaluation can be described. Secondly, the theories on e.g. numerical language, categorization and legitimation aim to reveal what quantitative and/or qualitative instruments that are used for enabling the wage setting process and thus answer the second research question. The third and last research question is additionally about what effects the process has on people where the theories on discipline and sorting, and making people up aim to provide an enhanced understanding and amplification to this third question.

# IV. Method and Materials

The aim with this section is to describe and reflect over the methodological choices and thus on the overall research process as such. Sections discussed and reflected over are the; methodological approach, research design and the quality of this design, sampling strategy, data collection, data analysis, and last ethical considerations.

# 4.1 Methodological Approach

The outset in the theory of science in this study assumes a constructivist approach (Bryman, 2011). This since the theoretical frameworks in the study undertakes the perspectives of *translation* and *(e)valuation* on the local wage setting process. A process which in turn is dependent on its actors and so forth on its translators and evaluators in the collective creational process. The local wage setting process is consequently interpreted as a social constructional process where individual performances are translated and evaluated through and in the embracing elements of this process. Since this study moreover aims to provide with different individual experiences in relation to the parts of the specific local wage setting process, the study will also adopt a qualitative methodological approach (Patel & Davidson, 2011).

# 4.2 Research Design

The strategy of the research design undertakes a case study design as presented by Yin (2013). By doing so, this conduce with a more detailed and exhaustive research on a specific case (Bryman, 2011). In this study the case consists of a medium sized PR agency in Sweden which employs around 40 people. This organization and/or branch was chosen since earlier research mainly has focused local wage setting in public sector (e.g. Alsterdal & Wallenberg, 2010) and

different industrial organizations (e.g. Neu Morén, 2006). There is thus a limited acquaintance in how local wage setting is functioning in service enterprises and the consultancy sector. As Yin (2013) further discusses, a case study design is to favour when doing exploratory research with questions formulated by a how and why perspective. Questions which in turn are necessary to ask for enabling individuals to think of and interpret their different experiences regarding the elements in the local wage setting process. This case study is moreover composed, as stated, by one case. In relation to Yins (2013) framework, there is thus a case with three units of analysis which will be further examined. These three units and/or total organizational levels, are additionally; the top management, wage setting managers, and employees.

# The Quality of the Research Design

In relation to the case study as research design, Yin (2013) additionally discuss several criteria to relate to as a researcher. Relating to these is the discussion of reliability by e.g. Patel and Davidson (2011). According to the last-mentioned author, reliability is to be seen from the specific situational context of the study. This since individual experiences tend to change dependent on the variation in time. What this gives us, is thus that qualitative research consequently focuses those answers which capture the unique experiences in the situations of the study. The debate is instead about featuring the overall research process to transparent show the different methodological choices for the reader (Yin, 2013; Patel & Davidson, 2011). A description of the overall research process which this method section aims to provide.

# 4.3 Sampling Strategy

The sampling of the study took off by first reaching out to the organization, explaining the purpose and importance of the study. Subsequently the organization answered in which a first contact with one of the top management was established. An organizational contact which, before establishing physical contact, was developed by mail moreover explaining the importance of the study in relation to the specific case and by providing the spokesperson with the forms of consent and information. This dialogue then evolved into a discussion of a first meeting with this spokesperson, giving time to develop a first draft of the interview guide which later will be discussed. This meeting further led to an overall understanding of the local wage setting process and its embraced elements. The meeting also provided with an easiness in, by discussion with the spokesperson, explaining what other people who were relevant to interview for the study. The sampling can thus be that of goal orientation, snowballing, or chain sampling

(Bryman (2011). In other words, that a strategic choice was to encounter individuals relevant for the study, in this case individuals on a top management, wage setting managerial and employee level. Since the first contact was established with one of the top management, this person further provided with a sampling of individuals within these three levels of analysis (Yin, 2013), three wage setting managers, and five employees. One implication with the sampling was also encountered where two wage setting managers could not make it to the interview for various reasons. This was dealt with by first; rescheduling one of the interviews to a phone interview, and secondly by interviewing an individual who earlier had been a wage setting manager for consultants. In total the sampling so forth was composed by a total of nine individuals within different organizational levels and responsibilities.

# 4.4 Data Collection

As stated above, qualitative interviews (Bryman, 2011) were one element in collecting data. Other relevant types of data were organizational documents related to the local wage setting process such as the wage policy and wage criteria. Aware of Yins (2013) pros and cons with these sources of data, there were as well strains of these in this study. Giving a more developed picture of these choices the first interview guide with one of the top management was thematically guided by the organizational documents and in discussion with the supervisor. Since the aim with this study is to provide with an enhanced understanding of the local wage setting process, the interview guides consequently have a qualitative form (Bryman, 2011). By having a preunderstanding of the process after the first interview, the content from this process-coded (Saldaña, 2009) empirical data then, still in relation to the organizational documents (Wage policy and criteria), provided with a more developed understanding of the embracing elements in the local wage setting process. An understanding which further helped to thematise and structure different interview guides for the other two levels of analysis; wage setting managers and employees.

Questions asked to the top management had the character of describing the overall process along with discussing the background of the development of this process and how they inform the rest of the workforce. One example here is for example: "Tell a little about the background to the work with your wage setting process, how did you think?" and "How would you describe the overall wage setting process?" and "How do you inform wage setting managers and personnel about the system?". For the wage setting managers it was however about enhancing

the understanding of this process where one important question to ask was: "Could you describe how it operates when you set wages? (With what does the process start for you and what steps is it then going through?)". Likewise, for the employees it was about getting a deeper understanding of their experiences of this process by e.g. asking "Could you describe how it elapse when your wage is set?".

For the qualitative study nine interviews were conducted, lasted for 40-60 minutes where each of these interviews was recorded, held face to face with the respondents in a room with a closed door separated from the main office. This was though not the case for the phone interview, even though we both sat in undisturbed conditions. The choice of this type of phone interview was due to geographical location. The nine different interviews where then transcribed word by word (Bryman, 2011), marking distinct and direct experiences with capital letters for reminding the importance of these statements.

# 4.5 Data Analysis

This part of the section will moreover aim to provide with the whole base of thinking and sorting from day one until the finished product. How and what this thinking and sorting are based on is consequently related to three types of coding as stated and reflected by Saldaña (2009). These three perspectives of coding the qualitative empirical data are; 1) Theoretical coding, 2) Process coding, and 3) Structural coding.

### Theoretical Coding

Since the aim of the study is to provide with an enhanced understanding of one local wage setting process in Sweden, this process is consequently anchored in the process and/or translational process as discussed by Latour (1995/1998). This description and the developed theoretical framework in this study thus functions as a guidance of the grounded research, accounting for "/.../ all other codes and categories formulated thus far in grounded theory analysis" (Saldaña, 2009:163). The primary theme in this research is consequently that of translation and (e)valuation which additionally are what this research is all about, relieving the core categories of the research (Saldaña, 2009; Charmaz, 2006).

### **Process Coding**

Process coding is furthermore about describing the actions in the empirical data (Saldaña, 2009). In this case, it is about describing those actions with rudiments of translation and evaluation, providing with an enhanced understanding of the different elements in and over the whole consisting local wage setting process. Saldaña (2009) moreover discusses that the application of this sort of analytical strategy is appropriate for all qualitative research that aim to explore a certain ongoing phenomenon. In this case, as stated, this ongoing phenomenon is the local wage setting process which continuously meets new actions. Actions which, according to Saldaña (2009), additionally can be "strategic, routine, random, novel, automatic, and/or thoughtful" (ibid:77).

### Structural Coding

The structural coding has continuously functioned as what Saldaña (2009) defines as a form of content-coding, searching for the different content within each element in the process of the local wage setting. This can for example be concrete exemplified by the search of the content (e.g. individual experience of x or organizational tool for y = processual content) within the different processual elements. By doing so, empirical data are thus subjected to relate a distinct research question (Saldaña, 2009).

### 4.6 Ethical Considerations

Ethical considerations with this study follow the Swedish law on ethical review in relation to research about human beings in Sweden (SFS 2003:460). Comprehended in this law is further to provide with 16 § information and to get 17 § consent regarding the objectives of the research. In relation to the sixteenth paragraph in the law, all participating individuals in this study have been given a form of information which moreover explained; the plan with the research, the purpose of the study, that interviews are to be held and that all participants are to be anonymised, information to the researcher and the supervisor, and last that the chosen candidates for the study at any time can discontinue in participation. Since the word salary implicate a sense of confidentiality (at least in Sweden), this was also discussed where the aim for this study is not about the wage per se. Instead it is about discussing the process and its different embedded elements, resulting a certain quantitative individual worth. After reading and listening to me explaining these ethical aspects, a form of consent where handed out. A

form that states that the participant is agreeing upon these terms, signing the document of consent which I and/or the supervisor save for a certain amount of time.

# V. Empirical Findings and Analysis

In this section, the empirical findings of the local wage setting process will be presented and analysed. The first part, based on the process coding, will discuss the background and incentives with how the organization has worked to establish its ways in having local wage setting. Thereafter, the following parts of this section will illustrate and analyze the different experiences of the local wage setting process as interpreted by the employees and wage setting managers. The section is later to be concluded by elucidating the individual managerial experiences and moreover the managerial group's understanding of how they work when setting final wages. The aim of this section is thus to disassemble the overall local wage setting process and additionally analyze and display the different embedded processual elements.

# 5.1 The Local Wage Setting Process

The main purpose of the local wage setting system is according to policy-documents and the management to create a steering instrument which helps the organization to reach its aim. It is an instrument that helps to steer organizational behaviour towards individual and collaborative performance for profit, with a clear focus on accountability. The employees can thus, by the individual wage setting, get higher wages if contributing more in relation to the organizational objectives: "The wage system must encourage to the behaviours that we think generates prerequisites for the whole organization to become successful" (Top Management 1). The top management also argue the importance of not having instruments that undermine the signals the organization wants to send. The organizational value and long-term goals for wanted outcomes should therefore be embedded in the process and within the operational instruments. The organization is moreover a long-term profit-maximising firm with goals to become one of the best paying employer among 30 members in a PR- association and attract and retain highly qualified consultants. The background to these goals and values is that high pay equals high long-term profits constituted by raised prizing, every fourth year, in the hourly cost for consultants and increased revenues per employee. As stated in the Wage Policy: "The consultants are monthly followed up by clear stated quantitative goals. As an employee, you can rapidly boost the wage by increasing the contribution to the firm".

By having incremental increase in prizing, there is consequently capacity for wage increase without accruing the occupancy for the consultants and undermining organizational profitability:

The goal for the wage setting is that the profit margins for each employee should be the same for all employees. In Swedish crowns counted, it is thus the high-incomers who are the most profitable for the firm. [The Wage Policy]

Since the organization also is a knowledge-intensive firm, it also sees low employee turnover as a prosperity to success since it takes time to get to know the behaviours and work procedures which are to result in quantitative and objective results.

Another value is that the motivational factor should not strive from individual wage, instead the motivation should be comprised in the tasks itself. Motivation by wage is thus interpreted to have a culmination where wage no longer motivates, instead the interpretation is that there should be a certain, enough and fair wage; relative wage, which in turn do not result in demotivation:

We never thought of wage as a motivational factor /.../ we have high focus in content of work, like, it is there we want to have the motivation. /.../ those relative wages are very important to not feel frustration /.../. If wage is not experienced as fair it can be a demotivation, but not a motivational factor in a very high extent. [Top Management 1]

Increase in pay is additionally merely an outcome from the behaviours developed to perform and collaborate for organizational profitability. Developed behaviours that in turn functions as a form of reactivity relating to the organizational disciplinary practises. Therefore, the firm wants to avoid to have extreme wage differences. As stated in the Wage Policy: "Money is a weak motivational factor /.../. Fair relative wages are though an important hygiene factor and wage differences that are experienced as unequal leads to dissatisfaction".

# Aspects Comprised in the Local Wage Setting Process

Going into the details of the wage policy the most important steering instruments are the four stated wage criteria: 1) Overall billing to your customer liability, 2) Consultants' occupancy, 3) Contribution in helping co-workers to reach their quantitative goals (Criteria 1 and 2), and 4) Contribution to the firm's structural capital (e.g. Communicating in social media). These

criteria are not given the same value, though, but are valued in falling order of importance, based on how much they contribute to the profitability of the firm:

/.../ it is a declining gradation, so even if you have had great performance in criteria 3 and/or 4, it also demands that you have performed in criteria 1 and/or 2. /.../ so they do not have the same weight. /.../ we are a consultancy firm and we live on earnings. [Top- Management 2]

The first two criteria are, as can be seen, numerical valuations and numbers that commensurate, and the main element in the local wage setting process is thus based on the capacity to generate high profits resulting from "performance-oriented collaboration". There are thus both translations of individual and collective performances: Criteria one, billing to your own customer, should not exceed 320 000 Swedish crowns, and criteria two, the consultant's individual occupancy, should not exceed 75% of the individual working time that is contracted. With this construction, individual performance is thus combined with collective performance. The consultants are therefore coached in handling work load over to colleagues and therefore to help others perform in criteria one and two. The argument behind this is explained in this way:

I think it is about finding the right balance [between the criteria], and I think that there is no divergence, instead, a good collaboration brings about clear conditions in responsibilities and you can only develop good collaboration if there are people taking responsibility...who, like, work with each other. [Top-Management 1]

This balance between the individual and collective aspect of performance is even more emphasised by criteria three, "helping colleagues to reach their quantitative goals", which implicate how consultants handle over responsibility in ownership to their colleagues. This is just as the fourth criteria, "Contribution to the firm's structural capital", a qualitative criteria which can result in organizational profitability, and has to do with the branding of the firm, resulting in a more "subjective" and linguistic evaluation of performances as compared to the more "objective" numerical values of criteria one and two. Connected to these four wage criteria are also two salary talks in the beginning of each year. In the first talk the employees get the opportunity to declare its contribution to the organizations profitability in relation to the four criteria stated above. A translational declaration, evaluating themselves with an argumentative language, enhanced by their canvass of reactive adaption to the organizations disciplinary practises.

Connected to the concept of performance-oriented collaboration is, finally, the organizational collective bonus. A collective bonus where everyone gets an equal share independently profession which in turn provide the incentive in having wider distribution in individual wage.

It has been a clear signal in, many different aspects, but a signal about the importance of collaboration. Equal for all employees... Those who then get an individual wage increase, there we want to have a distribution so that we do not smudge a given space in wage increase so that everyone gets a share. While everyone gets the same in the collective bonus, this has created a strong incentive in having as large variation in the individual increases as possible. [Top Management 1]

The collective bonus system and individual wage increases are further built upon the organizational earnings. After and if reaching the limit of twelve percent in profitability, which goes to shareholders, hundred percent of all eventual profits goes to the collective bonus system and to the scope for increasing the individual wages additional to the collective agreement raise of two percent yearly. The increase of individual wages is thus steered by a mechanical process which calculates these numbers and result in what the organization precise can distribute in collective bonus and individual wage increases. The organization has additionally used 39 million Swedish crowns for its collective bonus system the last 17 years.

Between these two talks discussed above, there is also an anonymized ranking (Wage revision) of employees where the managerial group, first individually, looks in how all consultants have performed in relation to the two most important and objective criteria. A ranking thus steered by a numerical evaluative commensuration which in the managerial meeting later are reinforced by linguistic elements of valuation, arguing for each employee's contribution.

In the second salary talk, the manager then offers an amount in wage increase and accounts for practical advice which moreover explains how the consultant can enhance the contribution to the profitability. Advices which are supposed to move targets and to compass a looping effect by helping and/or navigate the employees to react and conform to the disciplinary practises. These practical advices are further coordinated during the upcoming year in the stated and ongoing coaching between the employee and wage setting manager. Additionally, the wage process extends during the year to clarify the structure in the relative wage.

The fundamental rule is that the wage is accounted for once a year, the wage revision can though be held ad hoc during the year. In September, the wage setting managers [and managerial group] carry out an extra wage revision, this time without salary talks, that aim to reassure a fair structure in the relative wage based on contribution to profitability. [The Wage Policy]

# Mapping the Different Steps in the Local Wage Setting Process

Inspired by Latour (1995/1998) in the process-coding, this revealed six major sequences in the wage setting process which further were used for developing and assembling the analytical empirical results (see Figure 5.). 1. It starts with the employee and manager receiving information regarding the employees result-based performance from earlier year before the first salary talk. This numerical translation of the employee's performance information is additionally provided in two bar charts which are constituted by the performances in wage criteria one and two. In other words, the amount of billing in own customer liability, and occupancy. What is important here is to advocate performance-oriented collaboration, with a maximum limit in criteria one and two. For steering these limits, the employees get an update every weak which in turn says if there are aspects in these two criteria that need to change. An organizational device which thus functions as an instrument to constant evaluate and categorize individual objective performances.

- 2. In a second step the employees shall relate to these two bars and develop an argumentation for the salary talk for why you as an employee should get a higher wage. It is also in this step in the process where the employee interprets the bar charts in relation to criteria three and four for the arguments. Arguments which also are given examples on from the top-level management. It is thus a way to explain the objective results by adding subjective explanations in why those results looks the way they do. This step is consequently a way of trying to legitimize their own behaviours and performances, translating and thus evaluating these individual behaviours and performances in relation to the disciplinary practises.
- 3. The third step is then the salary talk in which the manager and the employee discusses the bar charts, and the two qualitative criteria. The employee explains why he or she should have a wage increase related to the objective results combined with an explanation of these, and the performance in criteria three and four. This is consequently a way for the wage setting managers to enhance the knowledge of the individual performance, by getting to understand the employees "self-translation" and valuation.

- 4. The next step is then when each manager, also part of the managerial group, does the anonymized wage ranking of all employees. An anonymized wage ranking only based on criteria one and two resulting in a numerical translation. The results of this anonymized collective ranking are further considered and brought to the meeting with the managerial group.
- 5. The enhanced understanding of the employees "self-translation" and valuation, is in a fifth step taken into the managerial group, in a meeting where all wage setting managers, part of the managerial group, and the CEO discusses the performances in criteria one and two. A meeting which is based on each manager's preunderstanding of each anonymized individual bar charts (the collective) and "self-translation" of the mangers own employees. This step is the wage ranking, where each manager sees the individual bars and employees behind the performances. With these bars, there is further a discussion and live excel-document where the valuation is co-created and the individuals (bars) are being ranked in relation to each bar, the managerial group thus commensurate with numbers. It is also here that wage setting managers argue by stating what has been seen at work during last year and by adding the individual argumentation, explaining the numbers by words, legitimizing individual subjunctives. Connected to the managerial meeting is also the capacity in how much money that can be distributed. A capacity which is developed by an algorithm, calculating the exact mechanic amount of financial capacity the organization can distribute each year.
- 6. The last step is the second salary talk where the wage setting manager announces the outcome of the wage. Important aspects here are that the manager, although the managerial discussion and ranking, has the final say in setting the wage along with that an employee's wage never can decrease. Moreover, the wage setting managers gives input in what can be done to increase the wage by forwarding what areas to focus on in relation to the four criteria stated in the wage policy, and thus moving targets through the engendering of reactivity creating new kinds of people. Focus areas in which the employees during the upcoming year also are coached in by the wage setting manager. Later after about six months there is an additional wage revision held by the managerial group to see if there is someone who has developed (reacted) extremely in relation to the earlier wage revision. This to secure a consecutiveness of having fair relative wages.

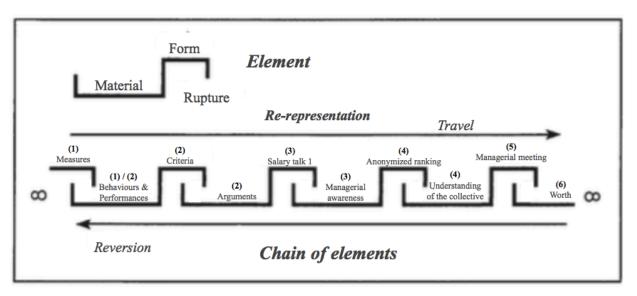


Figure 5. The processual chain. Preliminary analysis of translational sequences.

# 5.2 Employees Translation and Valuation of Themselves

This section is in addition to the presented processual chain above about step one, two, three and six. It consequently aims to present the employees experiences and interpretations of these steps and so forth how they translate and valuate themselves in relation to aspects comprised in the local wage setting process. An involvement in the wage setting process which is to result in a certain individual worth.

### How and What Own Characteristics and Roles Implies for Translation and Valuation

This part will focus on what employee's experience they should do for increasing the wage. It also relates to the different roles of the employee's which in turn influences on what they are to focus on. As stated by most employee's the main foundation of wage increase is that it is a symbol that accounts to show appreciation for individual performance. It is thus a receipt showing that you have performed well the year before which in turn legitimize current actions. The employees also experience that wage increase has an important value of sending signals, where an increase sends signals about performances being valued by the organization, a type of incentive effect. Discussed moreover is the importance of performance-oriented collaboration, the disciplinary practises of accountability and making yourself replaceable. In other words, that it is up to the employee to show interest in developing the attributes and role competence for increasing the individual wage, along with being a collaborative co-worker enhancing the organization to increase in profits.

Well, so I have a pretty clear idea in what I have to do for increasing the wage. /.../ if you really want to have an extra boost I think that you should be great in getting commissions and then also handle over [responsibility] to others so that you also help to increase their occupancy, in first hand mine and secondly theirs /.../. [Employee 4]

For meeting this ideal, there is a need of being social and extroverted since the performance-oriented collaboration is steered by having a good regularly relation and communication with colleagues. It is thus essential to legitimize individual competencies for increasing their own billing and occupancy. Being made up and becoming an accepted employee can in turn be complicated if you are new and/or not yet involved in the behavioural norm "/.../ otherwise you cannot reach personal success" (Employee 3):

Well I think...if you are social and extroverted it is probably easier to get more to do than if you are a quieter person and more reserved... that I think affects /.../. And I think that it did that it took longer for colleagues to understand "[Employee 2] you can put responsibilities on...". [Employee 2]

Embedded in the organizational values is thus that strong incentive of individualism is not sustainable in the long run. Mentioned by all interviewees, including wage setting managers and top management, is the "sharp elbows" which symbolize the individual characteristics of such individuals. Individuals who in the long run have not lasted in this organization as a virtue of the sorting effect due to illegitimate behavioural actions.

/.../ Those with elbows eh... can indeed eventually partially increase their salary...but I think that in the long run it is those who are good in managing colleagues and allocate work to everyone who are to succeed. So maybe that you in short-term can make your own way. [Employee 1]

What distinguishes the experiences is further in the principles of who they are, between an open and adaptable organization and that of a firm and consistent ditto. For the first perspective, it is about forming and adapting to existing norms where the organization actively tries to sort individuals who do not react to the organizational disciplinary practises, with difficulties in being made up within the organizational institution.

/.../ it is such a strong corporate culture here that you need to thrive in for enabling to do a good job, and people who do not have the prerequisites to do so, those we do not want to

recruit and that is also why the recruitment process is about getting people to understand what is hard by working here. [Employee 3]

The second perspective is about enhancing the organisational adaptability and encouragement of individuals who do not react quite as fast to this internal organizational structure of discipline. Another employee experiences the above presented perspective as something where the organization sometimes miss out on competencies due to its consistent ways in how things should be and are done, legitimized by the experts in the firm.

/.../ it takes more time and the risk is that... it can be some that tend to quit before they have come there, like... we have not succeeded in intercepting their competence. Then it is of course, then it can have been a failure of recruitment /.../ but I think that this is how it is formed here so, so this social ability is rewarded somehow, and there I think we sometimes can miss out... [Employee 2]

For enabling performance-oriented collaboration there is however an awareness of the difficulties newcomers encounter. Employees experience that there is great social support when new at the job, even though there is a problematic aspect of the initial wage set in relation to the wage setting managers anticipation of the individual. The social support is also depending on whether the personal characteristics are of a social ditto as mentioned above. If not, there is mainly social support from the wage setting manager who helps to make up the individual into the firm organizational structure, helping individuals generate knowledge in how to perform and collaborate. In the organization, there are thus two roles within being a consultant, that of PR-consultant and senior PR-consultant. Roles which moreover comes with slightly different responsibilities connected to the performance-oriented collaboration where senior consultants also have a line supervising role to help the consultants develop. It is further less important for senior consultants to have a high degree of occupancy, even though there still need to be a high degree of billing own customers. This since senior consultants need to handle over occupancy to develop others into high performers.

I have more responsibility in getting people to develop. So, that I give feedback and confidence and delegate things in large sheets and like try to /.../ help people in their development and such. But it is not my primary role, it is not quite as large as for a manager...I should be a good supervisor, more like that. [Employee 4]

Another challenging aspect of the perspective of the firm and consistent disciplinary practises is that the roles and behaviours are locked in relation to competence. Employees should only conform to profit maximising in the long-run which further aggravates the opportunity to develop in fields of specialization, making up new kinds of people. There is accordingly strong knowledge and experiences in what is expected from the organization and how high performers tend to increase in wage. Moreover, is that it narrows down the possibilities in cherishing individual competence which is not legitimized if not resulting in organizational profitability.

### What Is Being Valued in Relation to the Criteria and Practical Valuation

One expression of what is being valued is a feeling of standardization in relation to an increase in wage or not. A standardization which in turn is a result of having clear developed and objective criteria which constantly exhort performance. The results of these two first criteria are also a guidance for how the employees are numerical translated in relation to the collective performance and internal mean and median wage structure. Connected to this is a well-known performance board where top 12 in occupancy are presented. These devices are further a way to inform the consultants (and managers) in whether the performances are under or over the average and/or in relation to the high performers, i.e. an example of how devices help to numerical commensurate performance. Criteria three and four are consequently something that is experienced as soft values which are not encouraged in the same extent, since "/.../ it is the numbers that count" (Employee 4). A difficulty which also is experienced to correlate with lack of information when these criteria are valued.

I sometimes hear colleagues saying that criteria 3 & 4 do not matter, it is still criteria 1 & 2 that count like, ehm... that it is some sort of suspicion in that. /.../ I think it has to do with it not being measurable /.../ it is more of a subjective valuation by the managers... You cannot really know how much they weigh in criteria 3 & 4. [Employee 3]

Another experience of the criteria is that they are extremely clear and easy to assess whether these criteria are fulfilled or not, experiences that can be understood in relation to the demand of creating a common numerical language, developing an organizational shared cognitive system. An overall awareness is however that the salary talk(s) are not about negotiation, since the whole organization is saturated by increasing wages, enabling the collective and individual win-win vision.

/.../ I profit from that the whole organization is doing well, in that we help out and support each other eh, but we still have to perform, we must like succeed but we should do it together... [Employee 3]

This is further the purpose of the performance-oriented collaboration whereas the criteria are experienced to steer both individual and collective behaviour and performance. Something that in turn reflects on both the collective bonus system and the individual increases in wage: "/.../ if everyone performs quite well then we get a rather higher bonus" (Employee 1). Experiences are though that this combination of individual performance and collaboration is difficult to apprehend due to the impediment of what to focus on. In other words, if the employee has a high degree of responsibility in one of the colleague's ownership, it can thus automatically decrease the employee's degree of ownership in occupancy and billing. The shared cognitive system is accordingly not fully legitimized, resulting in a conflict of reactivity and how to translate and evaluate one self.

I mean, if you have a lot to do because you are good in your tasks, then it can be that you have a lot to do in others, in others customer liabilities which in turn direct that you cannot develop and get own customers which also leads to... that you not in a very high extent can...help others to get more work... [Employee 1]

Difficulties with this process is moreover that a mediocre performer is withhold by an increase one year and not another, even if the performances were equivalent comparing the two years. This also relate to the performance-oriented collaboration, maximising organizational profit by enhancing individual and collective performances through the embedded legitimacy of the incentive and sorting effects.

But then you have this straightjacket like, which... which is on both of us [Employee 5 & Wage setting manager], that is, if we as an organization have not fully reached the goals then the room for wage increases will be less.../.../ And I have also experienced years when it has been decent okay, not bad, but okay for the firm... And just that year I had a sharp development and then it is... and then it is bad luck, well then we do not pay that so well...it feels a little sour. [Employee 5]

Another aspect that steers the valuation is experienced as the earlier under-criteria to the wage criteria, aspects which now instead are defined as hints in how employees could increase in wage. Transforming elements of evaluation that, from organizational criteria towards a more

disciplinary and argumentative approach, impact on how employees should react. Hints which moreover make it even more clear in how and what employees should do for increasing in wage. These are also connected to the continual support the employee's get from the wage setting managers. One employee moreover experience this support as something that relates to taking responsibility and ownership where your own success is dependent on individual impulsion. The hints as a form of disciplinary practice thus put more responsibility on the employee and the self, which moreover amplifies the importance of discipline and legitimizing the linguistic translation of own self-performances.

# How an Argumentative Approach Can Affect the Valuation

Other aspects related to the wage setting process is further the employee's experiences of how they need to sell and provide the wage setting managers with information and thus relevant arguments connected to performances. This as a reaction to the disciplinary practises for becoming the desirable kind of people. An aspect further experienced to connect to the first two criteria and the ability and personality in being able to do this argumentative presentation. You are consequently expected to provide with a numerical translation along with a linguistic translational ability of these numbers, to increase the managerial understanding and interest of the characteristics behind these performances.

/.../ in a way I think it is quite nice that the numbers very much are the ones steering... eh.../.../ sometimes I can get the feeling that there are other arguments that stick through and then I neglect those who cannot argue for their sake in same ways... [Employee 1]

As support, the employees are given an awareness in what ways the argumentation can help to inform the wage setting managers. Before the first salary talk, in the beginning of the year, there are arguments presented by the experts (Management) which additionally are connected to the criteria, with focus on one and two. Other hints connected to these criteria are presented in the second salary talk for increasing the next coming wage, mainly "why should I have a higher wage" and "what you should do to get a higher wage". This to generate and explain behaviours and performances that increase the chance of getting higher wage, impacting on who you are, making people up.

Furthermore, this argumentative process is held before and under the first salary talk and is consequently a way for the employees to prepare and provide with subjective arguments related

to criteria three and four. This additionally provides with a more linguistic translation of themselves, increasing the understanding and awareness of performances by words for enhancing the legitimacy of these actions.

/.../ it is very clear that some parameters are more measurable than others. Ehm, and that... and that does, so if you have lower measurable results then maybe you try to push very hard on [aspects related to criteria 3 & 4]. /.../ and there the argumentation, so to speak, is more important because they [Criteria 3 & 4] are not measurable in the same ways, then I need to establish others in this being something very important. [Employee 5]

The employees further indicate the importance of the legitimacy in the self-translation, that it is essential to prepare these arguments in relation to the criteria since these are the ones steering the possibilities in increasing the wage. Another angle to this is also that the employees experience an openness in the possibilities for, whenever possible during the year, argue wage increase: "I attempt to be as near the criteria as possible, because it is ultimately there it is settled. Ehm and then I try to calculate like, wherein are my strengths, what is it that has been best during the year" (Employee 5). The first salary talk is consequently only based on the manager's prejudice in the employee's quantitative and qualitative performances, combined with an enhanced cognizance in these, argued by the employees, and thereby encompassing the manager under a shared cognitive system.

Well we sit in a room where I lead the meeting, I can say "I think that this and this and this and this makes me receptive for a higher wage". Then the manager says THANKS... and then we get out of the room. There are like no papers or documentation or anything. THANKS for observing me in this... like THANKS. [Employee 3]

A shared experience is then that the employees are informed whether the managerial group and wage setting managers have valued the performances as something that are equal to an increase in wage or not. A decision which further is combined with advises in how the employee can increase the wage during the upcoming year, and thus how to be more reactive to the disciplinary practises resulting in a sorting effect.

## 5.3 Wage Setting Manager'S Translation and Valuation of the Individual Employees

This part of the empirical findings will, as in relation to the former, present the wage setting manager's interpretations and experiences of how they translate and value the individual employees in relation to contents comprised in the local wage setting process.

How and What Own Characteristics and Roles Implies for Translation and Valuation As in relation to the experiences of the employees the managers also ascertain that the wage functions as a symbol or disciplinary practice to show that you are under, in line or above with what is expected from you, a form of categorization for objectifying performances. The wage itself is thus not experienced as important in the actual earnings even though this has a basic and fundamental value in relation to the self-fulfilling aspects.

/.../ there are many aspects that drive you, that drive the employees, but ehm... eh... but that it, and intrinsically is there perhaps not the, like the wage in itself in crowns and beans maybe is not always what is the most motivational, but it is at the same time an endorsement in that you do the right things and that the corporation appreciate what you do and what results you reach /.../. [Manager 2]

Further experiences from the managers is the importance and the organizational saturation of accountability where aspects comprised and related to the wage setting process is in the hands of the employees. Connected to the wage setting process this manifests through individual characteristics and endurance, the kinds of people, in which the employees are the ones responsible for their wage trend. In relation to this formation is still the manager's coaching-oriented leadership in which the individuals can seek support for aspects affecting their situation of work. A seeking of support which according to the managers is experienced as diffused in the organization even though one manager takes time to meet all the employees in a short sit down: "/.../ then approximately every month I sit down like half an hour with each employee and talk like, it is much about how it is, how it feels, what that is fun and how it works" (Manager 1).

/.../ it is different depending on different people, but it is aspects such as, we do not only talk once a year about this, but what we talk about...depending on how much you want to /.../ but I gladly bring up like in the performance appraisal or in the coaching conversation, like we talk about how you should make your way forward in this consultant business and like succeed here. [Manager 2]

Dependent on these coaching-oriented conversations or feedback appraisals, based on the criteria and embedded soft values, is further the role of the manager combined with the individual role and responsibility of the employees. One manager inter alia experience the managerial role as a support function where the more individual and objective performances you also possess as a manager are put aside in priority. This postponing is further interpreted as something you need to do for legitimizing the employees' performances as high, increasing the objective and quantitative results of the unit through reactivity. This managerial role is also something that was developed and transformed when questioning earlier managerial procedures which in that time where only connected to the four criteria, resulting in a looping effect and consequently new kinds of managers.

/.../ now my wage and the managers of the other units is set in relation to the total results of the unit. Ehm that was not the case when I became manager, but then I still had, then my bars were also relevant which I questioned because I did not think that it cohered /.../ how is my wage set in relation to how it was set earlier? [As a senior consultant] /.../ what goals do I have? "Well it is like that the unit is doing well... [Top management]" /.../ then [the organization] moderately soon came with a suggestion. [Manager 1]

In relation to this coaching-oriented leadership is furthermore who you are as an employee and consequently also who you should be for enabling a right way of working or fit into the organizational structures, moving targets. Similar the employees' experiences, the managers add that the organization does not want individuals who have sharp elbows: "If these limits (in Criteria 1 & 2) had not been steering it would be that 100% is the best, it would be that people held things tight to the chest and would not share the work" (Manager 3). Behavioural aspects which once again are sorted out as an effect of the performance-oriented collaboration.

/.../ we still want to have a certain flow, like that people should not sit and hold their customer liability to long /.../ in some situations you should be able to let these go to other colleagues so that more new employees maybe can get these responsibilities and that... And that is harder! Because it can be, it can be tough to do so since you can drop a lot in criteria 1 /.../ on the other hand it can be important for the business that you do so, then it is criteria 3... But you must weigh these a bit, if someone is brave in this /.../ like there is a major value in this. [Manager 2]

This form of performance as a disciplinary practice is additionally something that the managers experience as an impediment for newcomers to share. An impediment which the organization,

and consequently wage setting managers, who also are the ones recruiting, try to explain and make intelligible beforehand by sending out material to the ones interesting in working for the organization.

I think that it is not easy to reach these goals, so when you are new consultant here in the company, it is a pretty long way for some... for the most it is a very long way. Ehm and somewhat tough and frustrating /.../ to not reach the goals, which most of them do not, SO eh.../.../. This you get to know even before you begin here I think, like you get to learn like, and we also say that during the recruitment process, preparing people who are to begin here, "well this is the way it works, this is the setup and be prepared in that it will be a bit tough in the beginning /.../". It is important that you do not come here and think that it will work out, like automatically... we even try to test this a little, and like frighten people away by giving them a pretty honest and negatively angled picture of how hard it can be as a new consultant. [Manager 2]

Individual characteristics and behaviours connected to the performance-oriented collaboration is moreover about the profession of the consultant as such. Since most employed consultants have not worked as consultants before, this is something that need to be learned and tested during the first months as an employee, trying to move the classified "newcomers" into high performers: "because you should be able to get into work fast. Then we have some platforms that can contribute to the colleague's opportunity to profile himself/herself and show off for the colleagues" (Manager 3). It is thus about getting to know everything from the business and understand what it is and more to what practical tools that are necessary in the work of being a consultant, something you learn by sitting down and attending meetings with colleagues and managers. For being able to do so you further need to possess certain attributes:

/.../ it is A LOT of things /.../ everything from how you are social as a person, with the colleagues here, and networking here in the workplace, to like what qualities you have as a writer, or news maker, or like in the politics, like it is both the knowledge of the craftsmanship as a consultant and like how you succeed... yes, there is an enormous amount of aspects and it is DIFFERENT challenges for different people I would say. [Manager 2]

#### What Is Being Valued in Relation to the Criteria and Practical Valuation

Since the long-term profitability is embedded in the organizational structures and functions, the wage setting mangers responsibilities are also about developing this profitability in their own units. The managers' wages are further hundred percent steered by the overall results of the unit which in turn relates to the employees' performances in criteria one and two. What is being valued and results in an increase in wage is thus about activities that result in profits. The managers experience the wage setting system as a system with clear lines between the organizational goals, down to the level of the different units and moreover applicable in the criteria that steer individual and collective performances and thus wage: "/.../ there is a direct link between; what are the goals of the company, what are the goals for each individual and what that in fact is rewarded" (Manager 1). Something which can be understood as numbers that commensurate create a specific relationship between the objects, providing with a shared cognitive system and consequently numerical language, evaluating profitability and subsequently performances by quantification.

I think that it is a steering instrument for the firm eh... to get the employees to focus on the right aspects you could say...So that, these are directly connected to like, you get higher wage if you do things that are profitable for the firm.../.../. Above all, the two first [Criteria] have an exceptional position I would say. That is, you have large customer liabilities eh... are billing a lot, high occupancy, then you contribute a lot in the profitability of the firm. [Manager 2]

Connected to the organizational goals, the managers thus experience the wage criteria as very clear and effective, translating individual and collective performance to the overall long-term profit, maximizing effects and mentality. This since a performance-oriented collaboration enhances the opportunities in reaching the organizational goals which consequently result in a higher distribution in wage increases. What results in individual wage increase is additionally the individual contribution to the organizational financial outcomes in maximizing profits. Economical contribution which individually only is steered by criteria one and two where criteria three and four further leaves room for additional evaluation of employees pursuant the managers' experiences.

It is criteria one and two that weigh heaviest, like this, it is this that results in that you get a positive wage trend and you can get quite large increases by achieving these criteria. /.../ eh... so it can go quite fast. Ehm, but the other parts [Criteria 3&4] are more a, a subjective

valuation where you as a wage setting manager must say like "yes but I think that this person contributes with other aspects that should result in a higher wage" eh... [Manager 2]

Supplementary these experiences are different managerial experiences in relation to how you as a manager account for criteria three and four in relation to the first two quantitative. Conforming is though that the managers experience all criteria to be in a declining scale of importance, where criteria one is the one that should have highest priority when valuating performance: "/.../ so even if you have like made FANTASTIC efforts in criteria four it also demands that you have improved in criteria one and/or two, you do not get a higher wage just because you have...you should have done something extraordinary" (Manager 3). What differs is more in how you as a manager value the worth of the relation between them all, inter alia depending on the individual positional role and responsibilities, moreover evaluating by developing the categorizations for objectifying behaviours and performances.

Eh so absolutely and they are [Criteria 3&4], they are also coming after one and two, they are in that order, eh...so they are behind. Like it requires a lot...it does...it can still be that you get a higher wage even if you have not increased in criteria one and/or two, but it then requires more. [Manager 1]

Criteria three and four thus lead to an ambivalence in how much such performances are to be valued in relation to the outcome in wage, something that will be explained in the next part. This ambivalence is moreover objectified through the first salary talk where the employees, by self-translation, help reminding the wage setting managers (in relation to the objective results) of the embedded soft and subjective content in these objective performances.

/.../ so there are a couple of examples when you have not increased in criteria one and two, but you have done other things which yet results in that you get... /.../. I had in the recent wage revision an example of this where, it was a pretty clear situation, an employee which had not substantially increased in one and two but who had done a lot of other things /.../ like accountability in general, business development and like WOW, this must be encouraged. [Manager 1]

The experiences of the performance-oriented collaboration connected to the criteria is also that the managers here make an individual and subjective valuation of all performances. The measurements or guidelines in the criteria are thus not to be used as a "methodological straightjacket" as interpreted by one manager, but rather as devices for enhancing the evaluation

by categorizing more thorough. The importance of what you need to develop in is further an individual pursuit in how you can increase in the contribution of profitability rather than completely conforming to the objectives, even though these have an instrumental value for sorting individual performances in the right direction with these devices.

I think you must do an individual valuation, I...I am not that fixated in 75% [Criteria 2] I would say...eh...I can think that it can be GOOD that a senior consultant delegates more than that, especially in periods of lower occupancy in the office. If you are very prosperous we are not promoted by that you as a senior consultant are all by yourself /.../ but it is better if you share some and then maybe you get some decrease in occupancy /.../. So, there must be a way of like valuating the numbers in relation to the organizational situation at the specific moment I think. [Manager 1]

Furthermore, one manager describes that the consultants cannot reach the objective goals if working all by your own since these objective goals have a value for steering individual reactivity into the disciplinary practice of performance-oriented collaboration. The goal in criteria one, billing 320 000 Swedish crowns, can thus not be reached by one single employee. Instead this takes departure in that there need to be a collaborative approach for reaching this goal along with 75 % in occupancy:

/.../ you cannot reach 320 000 on your own, by working 75%, instead it is based on that you work some in your own missions, delegate a lot and that you eh... also work in others missions as a subsidiary. /.../ then you can be responsible in everything from three to seven to ten different projects [In the internal database], but everyone is not as active at the same time and we also try to get these customer liabilities to not be as large as possible, but quite large, each of them... /.../ because are you to work with ten customers, keep these rolling, then it demands a lot... so it is better to have some larger and then you can have some smaller. [Manager 3]

#### How an Argumentative Approach Can Affect the Valuation

What now is important is to describe the part of the process where the employees are to argue for why they should have an increase in wage, helping the wage setting managers to understand the underlying value of the performance-oriented collaborations: "/.../ every employee gets to present their case, the best arguments in why they should have higher wage. And it is like arguments which I in turn can consider and bring to the discussion with the managerial group (Manager 2). It is thus about legitimizing the self-translation extending the managerial

evaluation and consequently the managerial objectification of the self. This part moreover starts with that each employee is handled a sheet with two bar charts wherein these bars carry the performances in criteria one and two. A sheet which the employees and managers then are to relate to when arguing and interpreting the individual performance in the first salary talk, translating individual numerical performances into words.

/.../ and then it is up to the employee to then, to tell... so this is on the table [The bars] ...we both have the numbers so to speak and then it is up to the employee partly to tell me, it is notably to remind me, because even though I have a pretty clear track, but you forget and such... so then it is the employee's responsibility to remind me what there is in these bars so to speak, "what are these customer liabilities?". Like, "how have you got these?" [Manager 1]

The first salary talk is thus about legitimizing those values that are underlying to the two objective bars. One manager even prefers when the employees present these embedded qualitative values in an objective way, providing another numerical translation. This for example by showing how much time and effort that are behind and/or other aspect which can be quantified, making it tangible.

/.../ I can then get from this person, she has like measured how large part of the working time, or the billed time during the year that has been about [a specific work task connected to criteria 4], and then I get like numbers on it, and that is a really good argument to bring from her. [Manager 2]

This first salary talk is besides about relating to all criteria, arguing for the content that connects to the performance-oriented collaboration and earlier managerial leads and coaching, trying to legitimize these actions by self-translation. There is accordingly a presentation to show how and if individual responsibility has resulted in positive outcomes for the overall organizational goals together with a collaborative awareness, helping others to perform: "they choose how they want to present it, but there are some who make a PDF like in relation to the criteria, and some points "in these ways I contribute to criteria one". Then you can weigh it against other people..." (Manager 2). A form of presentation which further is to be interpreted different by all employees where the ability to argue thus lies on the individual. This presentation further raise awareness for the wage setting managers, contributing with the embedded significance of the underlying value in these performances.

This person has acquired all the customers on its own...has taken the first contact, processed the customer, left really good suggestions, they [the customer] says yes, you start work and it becomes an ongoing collaboration. And this [other] person got its responsibilities because someone quit, someone went on parental leave /.../ so then you have been GIVEN a lot of things, not for free, you have still had the confidence from your colleagues to take over /.../ so there are different aspects in it that you as manager need to consider...it is not just a mechanical valuation... [Manager 3]

What moreover relates to the managerial awareness of individual performances is feedback from other employees and managers and thus a form of incentive effect: "/.../ you are also very direct in raising each other all the time, /.../ and that makes it possible that we know, we know quite well what everyone has done" (Manager 1). Feedback which in turn the manager can bring to salary talk one to also contribute or consolidate the individual arguments since the manager may see a greater value in relation to how the individual promote itself. This awareness is also an ongoing process where the employee, whenever they have increased in contribution, can call for a wage discussion, presenting new arguments relating to the performances which have added plain economical value and/or other aspects contributing to organizational profitability.

IT is also an important aspect that I forgot to tell, but I often try to be clear in "if you think you have...eh... increased your contribution to the profitability so clear, so much now, that you actually start to feel that you have a flaw in your wage, like tell me this!" I expect that I will notice by myself. That I by myself "Ah hold on, now it has really been, wow!" Like maybe it is time to...But I want, I want to be reminded if so I missed out. [Manager 1]

# 5.4 Managerial Group'S Translation of Individual Valuations into Collective Distribution

This section is further the part of the local wage setting process where the managerial group's translation of individual valuations results into collective distribution. This part is consequently the part of the process in between the two salary talks, also known as the wage revision. A wage revision which aims to support the managerial final decision in the outcome of individual wage allocated in the second salary talk.

#### How Managers Rank Their Own Group and the Collegial

This part of the process is after salary talk one but before the managerial group's meeting in between the two salary talks, referred to as number four in Figure 5. This is what is called the anonymized wage ranking of the collective. It is thus an individual managerial ranking of the

collegial based on the two bars consisting of criteria one and two: "/.../ so we, like know who is under respective over salaried in relation to their performances so to speak, based on criteria one and two" (Manager 2). This ranking is further based on a handout of a sheet with all anonymized employees which shows current wages and performances in criteria one and two. A categorical ranking which in turn reveals who are under- respective over-salaried in relation to performance.

This part of the process is further to give the participants in the managerial group a preunderstanding through numerical translation of the total performances for the upcoming meeting. An individual managerial anonymized wage ranking of the employees, in turn leading to which employee you tend to prioritize when considering an increase in wage. In relation to this collegial ranking the managers also go through their own groups arguments before entering the managerial meeting. An increase or reminder in the awareness of their own group's underlying aspects which contributed to the objective and quantitative performances as described before.

### Discussing Individual Worth: Interpreting Managers Own Group and the Collegial

With each managerial pre-understanding of their own groups and collegial performances there is now the managerial group's meeting (Figure 5, number 5.), consisting of a discussion where they are to translate individual valuations into a collective distribution: "/.../ we begin with discussing three, everyone is to say three [Highest ranked employees] and then it can be from other units as well. Is it someone that everyone has noticed, it is pretty clear that this person should be prioritized, maybe gets a substantial increase" (Manager 1). The discussion moreover functions as an evaluative device for enhancing the understanding of the objective performances. The beginning of this discussion can additionally be illustrated as:

Then it is just to ask: "How should we distribute this then?" And then we as wage setting managers like distribute, distribute eh... "I think this person should have more in wage" so... maybe your own employees, but others as well. And then we see how this ranking, so we change it in real-time so to speak...so we add, and then this person goes up, "Well okay, was this now fair for these two persons?" [Manager 2]

The individual managerial ranking of the group and collegial is thus inserted in a real-time Excel-document: "/.../ we sit and like with these bars and this quotient then, where do you end up and then we add some [Money], "What then happens with the order? How does this look

like?"" (Manager 1). This is further followed by the managerial group's discussion during this meeting and consequently objectifying numbers through language. The individual managerial ranking can then be described as a starting point for the collective discussion, changing the ranking through discussions and arguments provided by the individual employees and/or other managers. An argumentative discussion which can be illustrated as following:

Ehm, but these other parts [Criteria 3&4] are more of a, a subjective valuation where you as a wage setting manager must say like this, "Yes but I think that this person contributes with other aspects which results in that he/she should have a higher wage" even though he/she does not quite perform for this wage. [Manager 2]

The numbers are thus evaluated by words and embedded soft values which are used to understand the more objective performances inserted in the live document. Exemplified by one in the top management is moreover that this wage ranking is compared with the actual wage ranking where you then, as stated above, can see who are under, respective over performers in relation to the collegial, categorizing employees farther. This is thus the core aim with the wage revision, to rectify eventual discrepancy and reward high performers. This discussion is further experienced as constructive where everyone takes part talking and listening to each other's portrayal of the subjective and objective performances. A discussion which though is experienced to relate to how well you in the managerial group argue for the sake of the individuals.

/.../ so we listen a lot to each other and are very concerned that it is to be fair in relation to...And like you must argue quite well, "Aha wait a second, if this person should have 2000 crowns more, then it feels, why should this person be under that person? How do you motivate that?". [Top Management 2]

As stated in earlier sections, the increase in wage is mainly steered by the employee's contribution to the overall organizational profitability. When someone for example stands out from the collegial in a positive manner, this is further rewarded by a substantial increase. The discussion though can provide with a more profound understanding of these performances to see what these performances were based on, objectifying numbers with words, leading to an increase or not in the outcome of wage. This discussion is later to be rounded of, after approximately an hour, where the final ranking is printed out to everyone. Additionally, some extra time is given where each member in the managerial group is to consider this final ranking.

/.../ then we have this discussion which is about an hour. But everyone is like quite prepared for this ehm... and then this is printed, what we then have reached, maybe then it still can be some question marks, but oftentimes, like, approximately like have we thought about this... then you get to consider it ehm... usually a couple of days before the managerial meeting on the upcoming Monday where this is the focus. [Manager 1]

This moreover takes the wage setting process to the next part of this section, how the final ranking of all employees is made and distribution is generated.

### How Final Ranking of All Employees Is Made and Distribution Is Generated

When agreed upon the collective wage ranking the final ranking and generation of wage is moreover made. A generation of wage which additionally is steered by the capacity of wage increase which in turn is steered by the organizational profitability the year before. This since the capacity of wage increase is generated after the revenue, to the organization and its shareholders, of twelve percent is distributed. Hundred percent of the excessing amount, in addition to the increases in the collective agreement of two percent, additionally goes to the capacity of wage increase, steering how much the organization can provide in the final distribution of the individual outcome of wage: "So since a couple of years back it is a pure mechanical process which determines what constitutes the next year's capacity of wage increase" (Top Management 1).

If, if we have been profitable the year before and had a lot of profit, then...then it results in more money to the capacity of wage increase, so it is like how much capacity there is, there is to distribute, it is available in advance...based on the profits, the mathematical model...
[Manager 2]

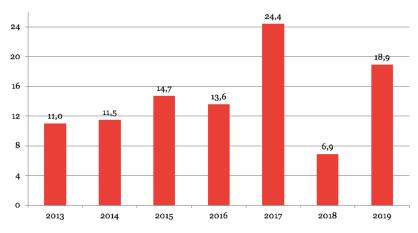


Figure 6. Capacity of wage increase year 2013-2019, (%). (Provided by the Case organization).

What is further experienced by the top management and wage setting managers is that the final distribution of wage is not to be scattered and shared, instead this aspect is related to the collective profit sharing. This part of the process is thus to give a high increase to high performers which in turn have contributed in a higher extent to the organizational profitability. The mathematical model thus provides with a calculation of the capacity of wage increase or wage stake which in turn is to be complete distributed in relation to the final ranking made by the managerial group. A distribution which can be difficult to relate to when it comes to how much money certain performances are to be rewarded with, i.e. a problematic of translation and evaluation regarding who to sort.

And then it almost becomes some sort of auction like "well 4000 I think is a little low, well but 5000 think on this and we should not...eh" like that. /.../ "we shall not scatter, instead it should be a substantial wage increase for those who have made substantial contribution". Rather more to a few than that everyone gets a tad. [Manager 1]

If the managerial group further is not concurrent in the final decision of wage distribution, the final decision of wage increase is consequently made by the employee's wage setting manager: "I as a wage setting manager can increase the wages for my employees, so that if I would be super dissatisfied with someone's wage after this meeting, then I can like increase it later" (Manager 2). The collective final decision in the managerial group is though experienced to cohere where the managerial group experiences an attitude of a common responsibility for the overall business: "/.../ so that we like assume that everyone takes a mutual responsibility for the entirety and that the relative wage setting is fair /.../" (Manager 1). Aspects further experienced as:

/.../ well there is a gathered capacity of wage increase but it is at the same time the manager of the unit that makes the call. Eh...because the manager ehm...is the one responsible for the results of the unit. Ehm, and it is not me and it is not a collective decision, instead it is the managers of the units. [Top Management 1]

At last, the legitimation of taking the final decision is allocated the wage setting managers (experts) where they have the final ranking and managerial discussion in remembrance. A decision which further is presented to the employees in the second salary talk. These decisions can moreover be corrected during the year, both by the mangers themselves and in relation to the second wage revision approximately six months later with the aim to rectify eventual

imbalances between performance and wage. A form of response to the employee's capacity in reactivity and organizational effectiveness in sorting.

## VI. Discussion and Conclusion

Coming to an end, this section aims to answer Q1) How can the whole chain of translation and evaluation be described and what sequences of translation and evaluation does this chain consist of? This by elaborating and discussing the content of the whole chain of translations, which in this case is the organizational wage setting process and its embedded elements. Moreover, there will be a discussion in the significance of different devices and the importance of linguistic (language) and numerical translation for determining final worth of individual performances. This will subsequently provide an answer to Q2) What quantitative and/or qualitative instruments that are used for enabling this process? Finally, the discussion will provide an answer to Q3) What kind(s) of employees are attempted to be shaped through this process? And thus, argue what employees are made up by through this wage system, focusing; norms, discipline, and the self.

# 6.1 The Overall Chain of Translation: Reconstructing the Whole Chain of Elements

The first research questioned concerned; how the whole chain of translation and evaluation could be described and what sequences of translation and evaluation this chain consisted of. With inspiration from Latour (1995/1998) and the revealing's from the data analysis of the empirical findings (Saldaña, 2009) there will here be an in-depth illustration of all consisting elements in the wage setting process and thus the whole chain as such. This illustration and development of my own theoretical inspired model will consequently result in an apprehending overview and visualize the analytical results of the elements and sequences of translation and evaluation in the wage setting process, and thus show you the complexity in individual wage determination. Another statement is that this is an ongoing process where different elements proceed parallel and are experienced in a different way by the organizational actors.

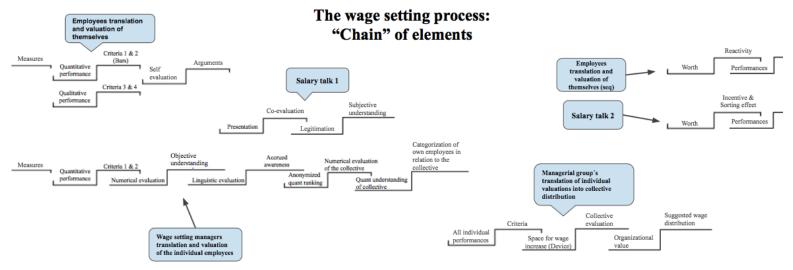


Figure 7. The overall wage setting process, chain of elements.

What can be seen in this developed model is thus how the organizational actors try to understand the world, i.e. employees' behaviours and performances through objectification, and consequently a way for enabling evaluation by categorization. There are accordingly several processual elements contained in the local wage setting process which here are used and combined into a divergent chain for understanding this process.

This wage setting process is thus comprised by three main sources of objectifications, those by the; employees, wage setting managers, and managerial group. Three sources which also objectify and thus translate in different ways where some aspects are experienced more important than others, even though it overall is a relatively clear consensus regarding the most important processual devices (criteria 1 & 2). Where it differs is e.g. in how you are made up, where some employees experience this process as to firm and inflexible while others, mainly wage setting managers conform to how people are made up. An example which relates to that the experts, in this case wage setting managers and top-management, legitimize behaviours and performances desirable. The institutionalization of these categorizations is thus experienced to be hard to move in, as experienced by the employees, resulting in difficulties to influence and the making up of new kinds of people, enhancing organizational heterogeneity. Other sources of objectifications are the two salary talks wherein the employees and wage setting managers meet for a sharing and discussion of these objectifications. Another interesting remark by looking on this overview is also the role of the wage setting managers that roughly takes part in the whole processual chain of elements. An involvement which additionally can be of importance to promote when doing further research on local wage setting.

Conclusions here are accordingly that local wage setting is a far more complex ongoing process than shown in the earlier conceptual discussion (Eurofound, 2016; Gerhart & Fang, 2014; Lewis, 1998). The translations in this case show that this ongoing process for instance has parallel elements along with different devices for trying to objectify individual behaviours and performances. A complex local wage setting process which does not tend to meet all needs as shown in this case. As discussed by Gerhart and Fang (2014) the process instead tend to have incentive and sorting effects on employees which in turn move these targets (employees), making up new kinds of people as Hacking (2007) would assent. Recurring aspects which later will be more elaborated when answering the third and last research question.

# 6.2 The Significance of Devices and Importance of Linguistic and Numerical Translation

The second research question implicated: What quantitative and/or qualitative instruments are used for enabling this process? Going back to Lamont (2012) there is a need for devices when evaluating an entity, in this context: employees (behaviors & performances). Devices of evaluation which in turn are used for objectifying employees since evaluation, when discussing local wage setting, at the same time is a process of translation. Lamont (2012) moreover discussed a need of categorization for understanding in what category the entity belongs (objectifying). Parts of the specific wage setting process thus conform to this deliberation where measures are used to objectify the performances in criteria one and two. For being able to understand employees' contribution to the firm's profitability there is thus a need for categorizing these quantitative performances through measurable devices (internal instruments). For being able to further categorize these first general categorizations, the organizational actors additionally do things with these categorized numbers (Espeland & Stevens, 2008).

In the context of criteria one and two, these numbers are those that commensurate. In other words, the organizational actors evaluate employee performances in criteria one and two in relation to others since they all are being categorized and thus evaluated with the same gradations (Espeland & Stevens, 2008). Why these are the most important criteria is consequently due to its easy function in objectifying economical contribution. What was also found in the empirical findings was how numbers that commensurate incorporated the wage setting managers and employees under a shared cognitive system, correspondingly argued by Espeland and Stevens (2008). In this way making individual performances more prone in

establishing an enhanced understanding of these for the wage setting managers, contracting the gap between the world and the numbers.

Since the first model (Figure 1.) of Latour (1995/1998) was not enough for understanding the phenomena of local wage setting, a development of it was made for adopting it here (Figure 4.). The incentive of this was for also understanding the subjective objectifications that are made, here identified as the evaluation of criteria three and four. It is here, in the combination of the subjective and quantitative criteria, that the employees' self-translation and valuation of themselves emerge even more since they must legitimize those actions that are not cognitively shared (Lamont, 2012). The employees thus linguistic and numerical translate and thus categorize behaviors and performances into all four criteria showing in what categorical entity they belong, e.g. high performer or newcomer, augmenting the managerial awareness. The difficulties, and additionally a conclusion, with this type of argumentative presentation moreover leads to that some employees find it hard to legitimize their actions, even though these could have been of organizational value. A difficulty which subsequently can be understood as a sorting effect where individuals who do not meet these performance-related attributes can interpret this as some sort of failure (Gerhart & Fang, 2014).

6.3 What Employees are Made up by Through This System: Norms, Discipline & the Self Following earlier discussion, the development of the chain of translations and the third research question in this study; what kinds of people are attempted to be shaped through this wage setting process, and thus how do they move and what are they made up by?

Acceding the discussion of Hacking (2007), that we must first classify to understand any kind, this part will inter alia use this theoretical disposition to understand and try to answer the above-mentioned question. One of the statements in the wage policy was that; "The goal for the wage setting is that the profit margins for each employee should be the same for all employees. In Swedish crowns counted, it is thus the high-incomers who are the most profitable for the firm". The classification, that is to be moved, is thus the employees and their performances. Classifications which moreover are embedded with categories of consultants and senior consultants. An interesting insertion here is also that when speaking of moving employees (targets), this is a movement made by the organization, but also the employees themselves and other organizational actors.

Adapting the discussion farther to the theoretical framework by Hacking (2007), it is additionally about the individuals and peoples in these different classes and categories. For example, what that defines you as consultant where you possess certain attributes for being able to perform in best possible way. Attributes which moreover are moved towards the categorical high-performer as stated in the policy, where those individuals with sharp elbows and a lack of social competence do not succeed and/or tend to leave the organization (sorting effect) (Gerhart & Fang, 2014). A looping effect where employees among other are made up through this process of change. This movement can also be a reactivity as argued by Espeland and Steven (2008), where a certain increase in wage narrates legitimation of actions. The reaction to this legitimation is thus a way of conforming to the organizational evaluation and translation of yourself. Opposed to this discussion is also the vice versa where a non-increase can create a similar reactive response and sorting effect, changing who you are for acclimatizing to the saturation of norms. A change of attributes which also can be understood by the organizational disciplinary practises.

For maintaining these classifications and/or norms and disciplinary practises, there is likewise something that secure these, namely the institutions as Hacking (2007) implies. What secures and steers how things are and should be done are additionally the criteria and moreover the measures and managerial translation of these individual performances (Latour, 1995/1998). An experienced mechanical and institutionalized process which secureness and stiffness leaves little room for organizational adaptiveness and individual motivational factors. The experts (managers) consequently evaluate the knowledge of employees and translate them in relation to the institutions. Institutions which moreover provide legitimation in these evaluations, making new kinds of people. People that ought to react to these managerial evaluations and disciplinary practises, consequently changing who you are and your performance-related attributes (Espeland & Stevens, 2008; Gerhart & Fang, 2014).

Concluding here is thus the importance of self-translation and the enhancement in the expert's knowledge of the employees, developing a shared cognitive system (Lamont, 2012). This since the wage setting managers e.g. take major part in the translational chain and thus the local wage setting process, and have the power to legitimize employees as a given kind, inter alia in front of other experts. Employees' self-translation and valuation of themselves consequently functions as a reactive response to this power which consequently change who you are (the self), making up new kinds of people adaptable to the organizational values and norms.

# VII. Contributions and Reflections

Contributions made by this research is among other that it provides with an empirical contribution in this new field of research and thus also to earlier research. As Granqvist (2007) stated, we needed research on how the micro level can be seen in relation to the macro. Although the emphasis of this study was not macro focused, since many studies already had been done here, it however contributes with an enhanced understanding of how the wage setting is functioning on a local level in a specific case. Choosing one specific case for this study is also a limitation which supplementary instead can be inspiration for additional and further research, broadening the perspective of how wage setting is operating on the lower micro level. Nevertheless, this study contributes with a theoretical advancement where the combination of theory has provided with an amplified solidness and penetration than it would have had if used apart, resulting in stronger theoretical generalizability (Halkier, 2011).

As reflections for HR professionals; is the local wage setting process understood as such a complex process of translation and evaluation? Are these elements taken into consideration when forming e.g. different policies and criteria, and is there an awareness in what we in fact are doing when setting wages? Since this area of research has not yet fully evolved there can thus be a hypothetical statement, that the awareness of what is going on in the local context is more absent than it is present. This research thus aimed to provide you as a reader with one case for understanding the local wage setting process, even though additional studies must be done for more thorough understanding the effects of local wage setting. Focus today may be to further explore what is going on in specific organizational and local contexts and thus illustrate and learn how the specific wage process is functioning and built up. An increased awareness to subsequently see if the aspects in local wage setting processes are constituted in a good way, likely resulting in new prospective actions.

Ideas for further research are additionally to research more on local wage setting, charting different sectors and organizations. What the conclusions moreover raise are for example difficulties of legitimation of actions if not yet made up. This distress would subsequently be of interest to research, studying newcomers and encountered impediments when trying to legitimize actions. Another idea could be to consider how frequently employees are followed up by wage setting managers and thus see if other chains of translations also indicate a deep managerial involvement in local wage setting processes. An aspect which further could be of

interest, focusing and preferable following and shadowing managers in the different elements
of translation.

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