

# “Employees’ Wellbeing in the Context of Mergers within the Nordic Electricity Industry”

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## Employees' wellbeing in the context of mergers within the Nordic electricity industry

### Abstract

The main goal of this study is to analyze the life of the employees amidst these changes during the years that followed business mergers in the Nordic E-business. The central question is: How did the personnel on the different levels of the organization perceive the integration process and what narratives emerged at the various stages of changes in the organization, the use of power, the organization culture, the management of change, the ownership policy, and the economy.

The studied group comprised 35 distribution network employees who had been transferred from Vattenfall or who had previously worked/been working in the Finnish Power Tech. Company. They were interviewed in 2001, 2003 and 2005. The background system of the survey was social constructionism and an ethnographic approach was used.

According to the survey, the quality of personnel welfare decreased after the changes. The change in the ownership and the new ownership policy brought with them some hope for the future. The decrease in the quality of welfare, which was at the centre of the changes, arose from the management of the changes, a different organization culture and power, as well as from the uncertainty brought about by the perception of the economy.

In addition, the goal of the study is to produce further information regarding the following normative question: what personnel strategy should be applied in the company to make the integration process as acceptable to the personnel as possible?

**Keywords:** narrative, employee relations, change.

**JEL Classification:** M1.

### Introduction

In the field of electricity distribution, conceptions of a secure and safe job, lasting throughout one's entire career, have lost their meaning also in Finland. An increasingly tight competition, the development of technology, rapidly changing environment of competition, and legislative changes have all resulted in the current situation. To guarantee profitability and competitiveness, companies have had to either close down or sell all forms of business operations that are not profitable enough and do not further the aims of the business. This process pertains equally to factories, locations and employees. Even the electricity distribution sector has not been immune to the effects of this development: old and secure jobs are also being confined to history in this field. The situation has been connived by a 1995 law concerning the electricity market (386/1995), which separated production and sale from the network business to the realms of free competition. This brought Finland in line with England and other Nordic states.

The deregulation of the electricity distribution sector gave consumers the possibility of choosing their own electricity supplier. The opening up of both electricity production and sale also had the effect of the largest companies in the sector going

in search of stronger positions (in the market). A window of opportunity opened up for energy company acquisitions and, hence, they expanded beyond Finnish borders. Along with the deregulation of the electricity market, the Swedish company, Vattenfall, also bought a number of Finnish electricity companies. Soon after the last purchase, it was decided that the increase in the size of Vattenfall's Finnish group of companies should be put to use by, among other things, outsourcing its operations. In August 2001, the company sold its network construction services, which employed 229 people, to Suomen Voimatekniikka. With this corporate acquisition, the company became the contractor company, consisting of 459 employees, and owned by Vattenfall, Powest (a subsidiary of Pohjolan Voima) and some smaller partners, as well as a subsidiary of Empower.

Structural change was aggressive and, along with the EU directive, the inspection of the electricity sector widened to encompass the whole of the EU. The disintegration of energy management structurally affected also the personnel, since the culture of monopoly and the culture of competition differ, for instance, in the ways in which different things are accentuated in people. In the culture of monopoly, impartiality and fairness were important, whereas in the competitive market, customer care and the maximisation of profit are emphasized. In competition, the most important factor is the price, which

means that the efficiency of the operations is raised to a new level. In the search for efficiency, the jobs also need to adapt to the changes.

The integration of the corporate acquisition is always a very challenging and difficult task. In addition to the economic factors, success is affected by human feelings and the input they bring to the new assemblage. Changes are normally made to increase profitability and less attention is paid to taking the needs of the employee into consideration. If a company has no personnel strategy incorporated into changes, the organization's employees and its different units start to develop their own ideas, expectations and interpretations about what is right or, in fact, if anything is right at all. The personnel will also make assumptions that can prove to be negative for the company. Employees give their own meanings to the things that the management does and does not do, says and does not say, based on their own attitudes and expectations. During the change, the example of others in the work community is followed with the assumption that this is the personnel strategy of the company. When companies merge, there are always preconceived ideas about how the merging will be carried out and how the operations are meant to proceed. In practice, however, the process hardly ever goes according to the original plan.

The actual subjects of this research were the narratives relating to the welfare of the personnel and the personnel strategy connected to change. The research elicited the personnel's experiences of the integration process, what kind of narratives was formed at the different stages of the change, how the issue of welfare came up in the narratives, and what could be deduced about the interpretation of the stories when carrying out the personnel strategy in the integration. In addition, the research yielded further information pertaining to the normative question: what kind of personnel strategy should the company create in order for the integration to be as acceptable to the personnel as possible. In this case, the welfare needs of the people working for the company would be satisfied. Hence, the practical interest of this research was the goal to produce information that could make good use of the people's narratives and *narrative nature* in the planning of the personnel strategy. The main research question was: how did the personnel on the different levels of the organisation experience the integration process, and what kind of narratives was formed at the different stages of the change, in relation to organization, use of power, culture, the management of change, the ownership policy, and economics. The target group of the research comprised 35 em-

ployees transferred from Vattenfall's Distribution Networks, who had previously been working for Suomen Voimatekniikka, and who were interviewed in 2001, 2003 and 2005. In addition, the data were gathered throughout the four year observation period, by observing the everyday activities of the organization.

## 1. Methods and research data

**1.1. Narrativity and stories.** The consideration and clarification of the researcher's role are of crucial importance in an ethnographic study conducted within a community. Firstly, the researcher has to recognize the premises on which the study is based. Secondly, he has to know how to market himself to the field and gain the trust of the research participants (Eskola & Suoranta, 2000, p. 108). The role of the researcher carrying out this study was somewhat exceptional. Firstly, for over 20 years he had been a member of one of the organisations being integrated that was part of the research. Furthermore, for the past few years he had been the staff manager of the company in question, continuing in this job in the new merged company. This appointment inevitably put the researcher in a position where he had to clarify his role as a researcher to himself as well as to the research participants and the possible readers of the research. Indeed, in some ways he had to explain that he intended to observe the research object as well as the interviewees "through the lenses of a staff manager-researcher".

Due to his privileged position, a staff manager-researcher is permitted an access to such insider situations and events as those that an ordinary researcher would not, and from which, not all things and observations can be recounted publicly. Very often, in fact, the staff manager is told about matters where changes or ways of improving the organization are desired. Feedback about or criticism of a colleague or another group can come up in an interview. In regards to these kinds of issues, the staff manager-researcher has to be especially careful. It is, in fact, particularly challenging for a staff manager-researcher to find the ethical balance between the two positions. Everything that might damage an individual or the company has been omitted from the findings.

The main body of the data consisted of interviews that were conducted in the most natural place for the interviewees, which mostly meant their workplace. Due to the mobile nature of the interviewees' jobs, the interviews were conducted all over Finland. The duration of the interviews varied from one to two hours. All of the interviews were recorded and transcribed. Generally, the data gathered in this manner

is at first a very large and chaotic whole, full of different details and meanings. The aim of the researcher is, through analysis, to obtain a greater degree of clarity and controllability over the data. The interviews themselves are not in a narrative form but rather they are answers to different questions; however, by using them as a basis, it was possible to present them in the form of a narrative, which, according to the researcher, pulled together and communicated the content of the interviews in the best possible way. The interviewees' responses about their own experiences were, in fact, always tied to their current life situation.

A feasible classification of the narratives came from the previously determined external components, which affected the personnel strategy in the integration. These components were organization/power, culture, management of change, ownership policy, and economics. Although these components are tightly connected to traditional thinking, which follows a modernist functional research paradigm, and as concepts they are customarily used in management practices, they are also concepts that people in the organization seemed to operate with. These concepts are drummed into their minds and everyone gives them their own content and meaning. For the purpose of practicality, the decision was made to use these components as scaffolding for thinking and interpretation, regardless of the fact that, from the point of view of critical postmodern thinking, they were inadequate (Syrjälä, 2006, p. 37). In addition, due to the fact that events were viewed differently by different parties, the narratives were written from the point of view of the representatives of each personnel group.

Telling stories is a way that people structure and give meanings to things. People also construct reality along with others. Next, the material was distilled by extracting the relevant sections that expressed shared meanings from the interviews to the narratives. Afterwards, the narratives based on the shared meanings in these interview sections were constructed. As such, the reporting of this research is done in the form of narrative and situated within the framework of the narrative circulation theory developed by Hänninen (2000). These narratives can possibly be considered as a kind of constructed meta-reality, as narratives constructed from other narratives that also give meanings to things and events. None of the written narratives are told by a single person; rather, each narrative is constructed from several interviews. The narratives, then, are seen and built through the eyes of the staff manager-researcher. The interview sections chosen from the interviews that express the commonly shared

meanings, and that have affected the content of my narrative, have been documented at the end of each constructed narrative. Based on these interview sections, the reader can evaluate the researcher's engagement with the narratives and the material that influenced them, and also, based on his or her own experiences, create his/her own story of how events unfolded. Thus, the narratives can be read on two levels: firstly, from the point of view of the meta-reality constructed in the research and secondly, on the kind of basic level of the direct interview quotations at the end of each story. These constructed narratives are fictive and have never taken place, but they certainly could have. None of the characters in the narratives really exist. The narratives are constructed directly from the answers people gave and their plot follows the facts contained in the interview data.

According to Eskola and Suoranta (2000, pp. 208-209), validity and reliability cannot be applied as *de facto* indicators of trustworthiness when used in qualitative research. Kantola (2002, p. 59), in fact, addresses the reliability of qualitative research more generally. She links together the notions of validity and reliability in qualitative research, since, according to her interpretation, they overlap. In constructivist and narrative based thinking, reality is, instead, produced through narratives. In a similar way to other research perspectives, in narrative research the goal is to convince the reader. However, in narrative research the aim is to convince the reader about a reality effect. Processing the narratives by means of an inner dialogue and defining the notions gradually constructs a story with a plot and, in the best case, a strong reality effect, which in turn produces a form of knowledge based on the narratives. In other words, by putting one's soul into the story, the reader experiences the story as a simulation of reality (Lincoln & Denzin, 1994, pp. 579-580), in which he/she reflects on the story through the experiences of his/her own life. Through this, a comprehensive emotional experience unfurls for him/her. In a story with a reality effect, it ceases to be important whether or not the events depicted really happened or whether the characters really exist. The most essential function of the narratives is to make the story unfold to its readers in such a credible way that the reader starts to empathize with the characters in the story and, though this, starts to understand the characters' motivations in their own living conditions. Through simulation, something new may be opened up to the reader, through which he/she, through the characters' experiences, encounters the world in a whole new way. In this case, reality exists within the simulation (Bruner, 1986, 1987).

The frame of reference of the research is social constructionism, in which the meaning of language plays an important role. This model of thought is largely based upon Bergen and Luckman's 1966 work "*The Social Construction of Reality*". In social constructionism, the basic understandings are derived from social processes, such as language, and interpersonal relationships. Knowledge and knowing cannot be found within people, because people share the surrounding reality through discussion and negotiation. Hence, reality is socially constructed through language and a shared reality does not exist in any general sense. Reality is only that which is considered to be reality. In other words, nothing 'is' before it is constructed, and nothing remains unless it is continually constructed and reconstructed (Sulkunen & Törrönen, 1997, pp. 16, 82). Therefore, it is possible to say that the reality in social constructionism is a social construction produced in the interaction between individuals.

Social constructionism is, according to Burr (1995, pp. 3-5), and Gergen (1985, p. 3), interested in the processes in which people describe, explain or otherwise understand the world in which they live. The way of thinking that emphasizes social construction sees the local nature of knowledge as important. Knowledge is situated in stories, that is to say, in narratives. Alongside the "Grand Narratives", smaller local narratives of everyday life exist. By providing a framework that governs how we speak and listen, these narratives create the base of the formation of social identity: how a person is placed within his or her environment and how he/she sees that his or her position allows him/her to act within it (cf Linturi, 2000). This research aims, then, at explaining the formation of human behaviour in different situations, where phenomena, connected to time and place, form the starting point.

**1.2. Links of knowledge.** The postmodern way of thinking used in the research includes the ways in which knowledge is linked to time, place and social field. Knowing always implies knowing from somewhere, as well as the person who knows. A person with knowledge lives within a particular social and physical environment and all of his knowledge results from these contexts of understanding. According to postmodern thinking, knowledge can be understood as a reality that is socially constructed in the interview situation. In this context, knowledge is value-bound, local and also dependent on the researcher's point of view. Furthermore, in postmodern thinking, the focus is, in fact, on the uniqueness of events and phenomena and on the contextuality of knowledge. Based on this, even in narrative research, the work of the

researcher, as well as the conclusions they make, are also linked to his/her biography and experiences. It is the nature of a narrative approach to research that no attempt is made to conceal the researcher and his voice. The research has to be written in a way that includes the researcher's own voice (Hirvonen, 2003, pp. 37, 39).

With the narrative approach, this research discusses and examines the experiences of the company's employees' pertaining to the personnel strategy and welfare in the integration process. Narrativity is thought to be a typical way for humans to sort out their own reality and, hence, the narrative form is a way to structure and analyze experiences (Bruner, 1986, pp. 15-43). The starting point of narrativity is the idea that a person's knowledge about the world and understanding of himself is a constantly changing story, which is constructed time and again (Heikkinen, 2000, pp. 49-50).

In this research, narrativity is conceptualized as an understanding about the nature of knowledge. There is not only one truth about the welfare needs aimed at the personnel strategy during the integration. Instead, there are groups of different narratives, each one of which gives perspectives on the phenomena under scrutiny. Thus, in this research, the idea of presenting a singular, objective truth was not considered to be the desired end result. According to Lyotard's (1985, pp. 7-9, 95) postmodern thinking, universal meta-narratives and general truths have begun to be replaced by small narratives. In postmodern thinking, no one method can produce the final truth. Instead, only a group of partial truths and human made polyphony exists (Lincoln & Cuba, 2000, p. 185). Berger and Luckman (1994, p. 11) concur with this notion by saying that reality is a world of different phenomena, independent from will, something that cannot be changed by people's wishes. Research can produce a particular, authentic viewpoint on reality, but not, however, an objective truth. This research, then, does not aspire to produce a general truth about a Finnish person's feelings about welfare needs, aimed at the personnel strategy in the integration. Instead, with the interviewees participating in the research being as different as possible from each other, different narratives were formed, all of which in their own particular ways, shed light on the research problem at hand. In addition, it is worth noting that the narratives will also shed light on the research problem in the possible future integrations of any organization. It can also be considered that a narrative research reveals how the subjects of the research think, talk and understand things. In this sense, it can be said that the practices of working life can also be ameliorated through narrative research.

## 2. The conceptual frame of the research

Research on the management of change such as this one is often interpretative, and is not intended to unbalance the current world order. Hence, an essential point of view in this research was how the different members of the organization perceived the various situations and events occurring in the organization, and how from this, different meanings and narratives were formed. An organization always has a life of its own in the present, on its way towards the future and leaving the past behind. The destination of the organization is, however, not known, and one cannot say for certain whether it is traveling forward or moving in a circle (Bauman, 1996, p. 252). Therefore, the conceptual framework of this research was a model of an organization heading towards the future, its personnel strategy and the internal and external forces affecting it.

Various forces affect the operational environment of an organisation, each of which in its own way affects the internal and external operations of the organisation and, through this, also its personnel strategy in such a way that it is essential that their effects should always be taken into consideration when putting a personnel strategy together. This social reality is always rambling and even chaotic (Varila, 1994, pp. 175-176). In addition, the elements of the inner and outer circles are often so close to each other, and sometimes even co-dependent, that it is difficult to distinguish one from another. Juuti (2001, p. 148), in fact, aptly notes that the concept of social constructivism disrupts the concept of modernity. No natural order exists in the background; rather, there are only the multiple and different everyday practices. In addition, the boundaries between a postmodern organization and its surroundings are far from clear, as the organization slips into its surroundings and the surroundings enter into the organization. These components can be divided into internal components (the private matters of the company) and external ones (the forces driving the company from the outside). The external components intensely affect all levels of activity, especially in the situation of change and integration and, through this, the personnel strategy as well as the narratives of each employee. Aaltonen and Heikkilä (2003, pp. 11-17, 91) predict that the first decades of the 21<sup>st</sup> century will be called the time of the communicator or the storyteller. Different narratives have forever been a way for people to tell things to their companions. Today, storytelling has also become a part of the development of organizations, replacing many well-worn development strategies.

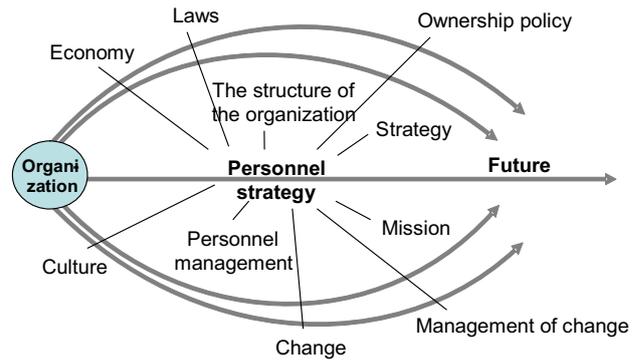


Fig. 1. The elements affecting the personnel strategy in the integration

**2.1. Storytelling.** Useful experiences of storytelling have been gained in the organizational changes, in which people's moods and personal experiences have been written down to benefit all the parties involved in the change. The personnel might also feel that the management is really interested in the experiences and feelings of the company's employees (Aaltonen & Heikkilä, 2003, p. 19). Heifetz and Laurie (2001) have also realized the importance of receiving feedback from personnel. In fact, they note that it is worth listening to the advice that the personnel offers about the management, as one can find useful experience, expertise and know-how on many levels in the organization. This experience, expertise and know-how need to be brought out and suitable conditions have to be developed in which this can happen. Often, the problem is that the pointers offered by the employees are so unclear and strongly expressed that they might rather be forgotten. The managers should, in fact, trust their employees and be capable of finding the valuable information amidst the unclear impulses (Heifetz & Laurie, 2001, pp. 132-137).

In storytelling, the management, according to Ready (2002, pp. 63-69), discusses, coaches and teaches the younger generation of the organization, which is the best way for the younger generation to learn the skills and knowledge of leadership precisely in the environment where they are to be used. The skills taught are easy to accept because they come from a trusted and valued person from one's own organization. Storytelling is difficult, but when it is successful, it is a good way to pass-on information and know-how. It is also possible, through narratives, to carve out a foundation for all operations within the organization, as narratives also always include values, culture and future visions of the organization.

Narrative management, however, often happens in the form of the management telling stories to the employees. But, why could these stories not also be told by the employees to the managers? In fact,

according to Aaltonen and Heikkilä (2003, p. 49), in situations of change, people have a need to talk about their personal experiences and think over the reasons behind the changes as well as about the future. In this research, the emphasis was put precisely on listening to those stories coming from the personnel, in order that they could be put to good use in the possible future changes. Rosile and Boje (1996) also encourage managers to think of their own management practices as a story, to turn the plot of this story upside down, to read between its lines, to look for double meanings, and, after all this, to re-interpret the story. According to them, this is how the voices in the margins can be found (Rosile & Boje, 1996, pp. 234-243). In a sense then, an organization is a texture, born out of different stories and tales; yet, the stories are often so mundane that one does not even notice them.

**2.2. Ownership policy.** An essential part of this research, and the narratives of the people involved, was the ownership policy of the municipalities and that of the new owners of their previous electric plant jobs. In Finland, municipalities have traditionally been partners and owners in various companies. It was only when the investors started to show an interest in the electricity companies owned by the municipalities that the municipalities started to reflect upon what it means in practice to own or to capitalize on an electricity company. The waning of the municipalities' economies furthered the consideration and deliberation about the municipalities' expenditure and encouraged them to sell their energy companies. For the municipalities that owned the companies, the situation was unprecedented, as no ownership policies that would have prepared them for these kinds of situations existed.

The research participants had become involved in the change via the organizations in which they had worked (sometimes, for a long time). Now, they were faced with a business culture and its internal differences for the first time and, even, unconsciously. This could not have been more evident in their narratives. The research participants had previously worked in energy companies that had occupied the position of a monopoly, and in which the economic issues had not been first on the list of problems. Along with the change, the base of the ownership had been altered and the new owners wanted clear profits from the capital they had invested. According to Hofstede (1993, p. 209), international company mergers are big money power-games and are generally executed only from the point of view of economics. However, from the employees point of view, and even from that of the management, making money solely for the owner cannot function as a motivational force forever. The

functioning of the company also has to provide something else in order for the employees' needs to be fulfilled. As such, it can be said that, in some way at least, companies have two tasks. Firstly, they bring income to their owners and secondly, they satisfy people's needs (Kettunen, 1997, pp. 37-39, 263-294).

The knowledge gained from the merger of the organizations that was also the object of the research was not, however, examined as stories, told by individual people, separated from a larger whole, but rather, as narrative wholes formed by interlinking stories, and as the meanings and welfare needs arising from them. Therefore, it was decided that the stories told in the research would be interpreted within the framework of the narrative circulation theory, developed by Vilma Hänninen (2000) and within the frame of reference of Erik Allardt's (1976) welfare model (Figure 2).

### 3. Allardt's and Hänninen's framework

According to Hänninen (2000), a person uses narratives to reconstruct meanings in situations of change. "The theory of narrative circulation" approach outlined by Hänninen, in a way refers to a systematic understanding of how inner narratives and life are interlinked. From the point of view of the individual, the theory of narrative circulation connects the manifestations of narrativity to the outside reality. The starting point for the model is a situation, that is to say a whole, formed by those things that a person exists in relation to (e.g. residence, job, family relations or health). Hence, it consists of the totality of a person's life situation, its possibilities and limits. The situation changes constantly, both independently and as a result of human action. For its part, the social store of narratives is the set of cultural narratives that are available to a person. This store includes all the narratives that people encounter, for instance in social interaction, and it is constantly moving. In the social reserve of narratives, stories are absorbed throughout one's life and some of these remain thereafter in one's own personal reserve of narratives. Inner narrative is a process in which a person interprets the events of his/her personal life, as well as the possibilities and limits of his/her situation, with the help of the narrative models adopted from the social reserve of narratives. This process guides an individual's actions in the everyday drama of life. The drama, for its part, is an operational process happening here and now, in which an individual aims to realize the projects formed in his/her inner narrative. In the notion of narrative, then, a person tells stories about him/herself to others. The narrative circulation is a process that produces history and that is also anchored in history (Hänninen, 2000, pp. 13-23).

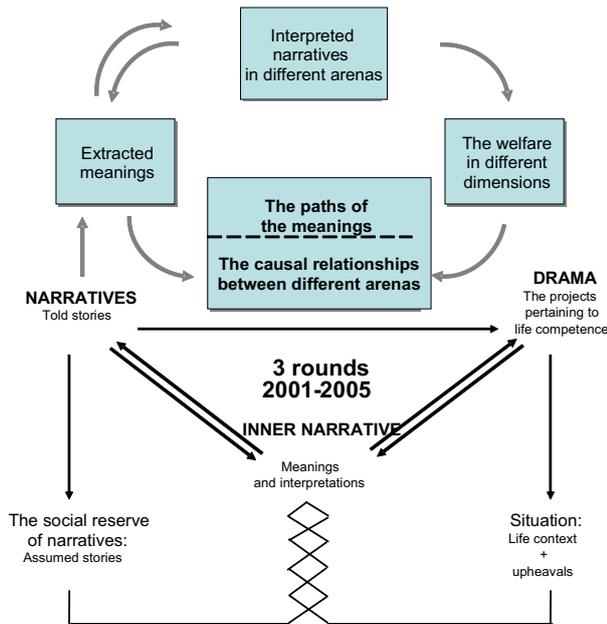


Fig. 2. Research framework

A famous Finnish sociologist, Erik Allardt (1976), developed a frame of reference drawing on welfare theory, with which it is possible to broadly analyze the sectors of need fulfilment related to people's welfare. Allardt (1974, p. 236) outlines need as a twofold concept. Firstly, in fulfilling his/her needs, a person strives towards certain goals and, on the other hand, by researching the need-based behaviour, these goals can be observed and noted. According to Allardt's (1976, pp. 21, 32) definition, "welfare is a state in which a person has a possibility to fulfil his/her salient needs". In this case, he refers to the basic needs that must be fulfilled for the circumstances to be good. In Allardt's theoretical frame of reference, welfare is determined by the degree to which the need is fulfilled, and the basic needs defining this welfare are divided into two sectors of need fulfilment: the standard of living and the quality of living, which are then divided even more precisely into the following two basic categories:

- ◆ *standard of living (having)*: in which the fulfilment of a need is defined through the occurrence of those immaterial or impersonal resources, with which a person can manipulate his/her living conditions. In other words, the resources that people own and govern are part of the standard of living. In a way, then, a good standard of living is goal in itself, since all people need some kind of standard of living in their lives. The welfare needs of the standard of living are income, level of housing, employment, education, and health;
- ◆ *quality of living*: in which the fulfilment of needs is defined by the quality of a person's relationships. This is based on the fulfilment of needs between people, people and society and

people and nature (that is people and their environment). This definition is further divided into;

- ◆ *community relationships (loving)*: in which the definition of the fulfilment of needs is based on the way that a person behaves in his/her relationships with other people and how well he/she can put himself/herself into another person's shoes. Good social relations can form a resource, with the help of which, it is possible to achieve other good things. The welfare needs of the community relationships are local community, family community and friendships;
- ◆ *the forms of self-fulfilment (being)*: in which the fulfilment of needs is defined by an individual's relationship to society (opposite of alienation). In an extreme case, an individual can be thought of as an indispensable personality, both appreciated and respected. Through this, s/he has opportunities for leisure-activities and hobbies as well as for participation in politics. Under circumstances of alienation, on the other hand, human relationships are assessed only by the benefits they produce, for instance, as part of the workforce or as a consumer. The welfare needs of self-fulfilment are respect (status), indispensability, political resources, and interesting leisure activities (doing) (Allardt, 1974, 237-238; Allardt, 1976, 32-47; Raunio, 1995, 309-310).

In this research, the satisfaction and non-satisfaction of those needs that defined welfare were looked for in the narratives and the meanings emerging from them. In the interpretation, the interview sections expressing the shared meanings relating to the stories were extracted from the interviews conducted in 2001, 2003 and 2005 according to Hänninen's (2000) theory of narrative circulation. The narratives of the different arenas of the research were formed on the basis of these sections. After this, the connections between the changes in the different dimensions of the most central meanings from the narratives concerning the different arenas, and the welfare needs corresponding to these, were examined from two separate points of view: from the causal relations between the paths of the meanings and the arenas of the process of change. The choice and the classification of the chosen central meanings were based on the general view acquired by comparing the narratives, as an entirety, with Allardt's (1976) list of components concerning the standard of living, as well as on the interpretation created from the above:

- ◆ *the point of view of the meanings*: the paths of meanings that were formed by the most central meanings emerging from the different

personnel groups in the company as well as the positive and negative changes in the status classes of the welfare needs;

◆ *the mutual causal relationships within the arenas of the change process*: here, based on the most central meanings and the welfare needs, the relationships between the different arenas of the research and their effects on the personnel strategy were examined.

#### 4. Narratives and the empirical realization

In June 2001, the situation amongst both the personnel transferred from Vattenfall and the existing personnel of Suomen Voimatekniikka was very confusing and expectant. The Swedish owned company, Vattenfall, had previously bought a number of Finnish electricity companies and already in the spring of this year announced its intention to sell off the contracting businesses of these companies. The situation was still not clear to the personnel being sold, who were already “up to their knees in the river”, waiting for the final closure of the deal. Everyone saw and was waiting for “the wave that would wash them into the unknown”. Nothing much was known about the new and forthcoming company. One briefing session had been held with the staff, but after that no new information had been offered. No one could see what was coming and the waiting process started to sap the strength of the personnel.

Each worker created their own outlook on the future, stemming from their own hopes, needs and fears. All of the outlooks were always based on the presumption about some startling information. When no information was available, the only thing left to do was to “step into the dark current that takes one away with it”. Similarly, on the side of Suomen Voimatekniikka, people lived in a situation of wonder. The personnel had only been told that the merger would most probably happen, but nothing was known about the future personnel of the company. In addition, no one could guess how big the change would in fact be. Since, no operational model had yet been supplied, people wanted to try to influence things. The following illustrative stories have been chosen from the component of the organization and from the management personnel group. There were similar stories in the research about all of the components in the research question, in addition to the management, experts, supervisors, and the mechanics. The first narrative about the different organisational models emerged from people’s ideas and expectations about the future organisation. This “dream organization” was often viewed as using the same operational model as the one currently in place in the organization. In addition, there

is often a criticism of the competing operation’s model linked to the story. It should also be noted that on the different levels of the organization, the focus of interests is also often different.

##### 4.1. The story of everything continuing as before.

Three years ago, in the process of following his work, basic engineer Pentti transferred to Suomen Voimatekniikka, moving his home closer to the head office. In addition to the father, the family, consisting of a mother, two children (already of school-age), and the family dog, bought a two-bedroom terraced house smack in the centre of the densely populated area. Pentti was, at least according to himself, given a place in the management circle and, thus, got to be involved in the decision making of the company’s governing bodies. The motions of change had, however, been drafted in such secrecy that even Pentti had only heard some rumours and guesswork about what was to come. This was obviously heavy on his mind. In reacting to what he had heard, he had formed a particular notion about the future, according to which, each company would continue by following their own, tried and tested methods. This scheme of things suited Pentti’s own plans splendidly, because his own line in the business was the most profitable in the company and, with this situation, he was not interested in starting to change his own way of doing things. Somehow, the matter should be solved in tomorrow’s meeting in such a way that there would be no need to undertake any radical changes, especially since the bonuses were tied to the results of the different business lines, and from these, the fruits had been plentiful in the past couple of years. He would be very satisfied if, in relation to some common operations, only the main lines were surveyed. With these situations in mind, he would tomorrow give a green light to the idea of the old operations continuing just as before, with the prospective groups keeping their own processes and areas (of speciality). “The matter can, after all, be considered again, once we have got to know each other a bit better”, Pentti reflected while heading for an evening walk with his dog.

Interview sections, conveying the shared meanings in relation to the story:

“Yeah, there’s been a few times when I’ve been in a kind of difficult situation in this matter, when I’ve been involved... Nothing much has been said about it anyway... at least nothing about the details. In some way, I felt that maybe I could have been part of this inner-circle in this matter.” H1/10

“... Of course I’ve known that something is going to happen ... but I don’t in any way think that I would have sort of been in the inner circle.” H1/35

"xxxx but the main features, operational principles, philosophies have to be shared in a company. That way, we'll get quite good results in that." H1/33

"I don't see any problem in it. In my opinion, I think, for those who're already here, it will continue in the same way as before. Those xxx can have more, but it's difficult to say whether they will either... when you're anyway in charge of your own profession, and even your boss'll stay there I think... so, I don't think it'll change their jobs so much either." H1/16

"Well, the starting point of this beginning, as I have understood it, or as the xxx has sort of announced it, is that we will continue in the northern distribution cable area with this process organisation..." H1/23

During the summer of 2003, life skated on the edge of the new change, since all the subsidiaries of Empower were to be legally merged into one single company. The operational functions of the companies had already merged during the previous summer and, indeed, this, for many, unclear situation was also evident in people's narratives. The second round of mergers began from a different situation, as now the personnel from Suomen Voimatekniikka, which two years ago had been the receiving party, felt that they were in a similar situation as the personnel then being transferred from Vattenfall. In other words, everyone was again in the same boat, travelling towards the unknown. During the discussions, the events of two years ago were not a desirable topic; instead, they concentrated on the coming operations of the new Empower and their subsequent evaluation. Everyone's views were different and were often based on various assumptions and hear-say. Once more, the new and upcoming operations model was not clear and this created further confusion in people's minds. This time, the focus of interests also varied from one level of the organization to another. The next narrative about the upcoming organizational model emerged once again from people's mental pictures and their expectations concerning the upcoming organization.

**4.2. The story about a shared organization.** It was getting quite late on that night in the beginning of June. The participants of the meeting, coming to the terrace from the warmth of the Hiekkaniemi motel's lakeside sauna, were inspired to continue the discussion they had had earlier in the day about the future corporate structure. They had a long and tiring day of strategic planning behind them, during which the company's new operational model had been polished and specified to the state of "crystal clarity". After a couple of sauna beers the mood was already much more relaxed and the speakers even had courage

enough to criticize the operations on the basis of their personal feelings. According to Matti, nothing good would come of the situation, if the new organization would continue in the way it had done in the previous year. Nowadays, the operations are so short-sighted and stop-start that it is difficult to keep track of them. For example, if someone is struck by an idea when driving, that is how things will be done for a while, but soon the whole thing will be forgotten. "Yes, that's true, and when nothing old is even respected. Nowadays, the starting point is that all of the old methods and personnel relations are bad in one way or another. They should definitely be made use of." Basic engineer Pentti blurted out. Kauko, just leaving the sauna, joined the ongoing conversation. According to him, it would be important now to get people who would have the courage to say and make decisions into the high positions. In other words, people, who have courage to take the gang with them and stand in front of their troops so to speak. The person in charge should have the courage to say that this is how things will be done, even banging their fists on the table if need be and demanding actions from the troops.

Interview sections conveying the shared meanings in relation to the story:

"Basically, if we continue with the same base and with the same guidelines as we're doing now, well then, like, nothing will happen. So, now we should kind of quite radically come to some decisions and sort of streamline of the organization, we would get the right kinds of guys in the right kinds of places, those that aren't afraid to speak-up and are not afraid to make decisions, have courage to take the gang with them and stand in front of their troops so to speak, and say that this is how things will be done and bang their fists on the table and then sort of make demands, not only so that we have this kind of questioning culture going on, but so that everything is questioned if the possibility arises, the possibility to question, the possibility to go solo and so on. If this is allowed to continue, well nothing will happen." H2/34

"The kind of short-sightedness and stop-startness. If an idea, for instance, strikes someone when they're driving, that is how things will be done for a while, but soon the whole thing will be forgotten... Feels kind of like short-sighted that, when an idea hits you, it gets carried out and a lot of energy is spent on it. And then the principle that everything old is bad, that has felt kind of weird... All the old rappers are bad, but that's not true. Everyone should be made use of, everyone's know-how should be made use of; whether it is the know-how of a mechanic or of a managing director, everyone's know-how should be made use of. In every matter. That's my starting point at least." H2/34

In winter 2004, the owners of Empower, Pohjolan Voima/Powest Oy and Vattenfall sold all of their capital stock to the management and investors (3i Finland Oy and Nordea Capital Oy). The management of the companies in the beginning of the research had changed into the Empower management and the views of the previous management had altered to become more in line with the views of the experts. In practice, the differences in the views expressed by these two personnel groups in the discussions could no longer be separated. The different original organizational models of the management and experts, and the consideration of their differences, had, little by little, transformed into the criticism of the current organizational model and its bureaucracy. In addition, the concern about the tightening markets, as well as those about the fixed price jobs that had once already been lost, transpired in the narratives. This resulted in the compounding of the pressure also in the discussion concerning the strength of the organization. Almost four years after the first merger, in spring 2005, the situation from the point of view of the organisation was relatively calm. The big organizational changes and ownership arrangements had already passed by and there was no new or radical change on the horizon. The following story about the spring 2005 organizational model emerged once again in people's different ideas and viewpoints.

**4.3. The story about the manifold challenges of the organization.** The company's management held its meeting in the by-now traditional Spring seminar. Due to the process of belt-tightening, the meeting was held for the second time in the company's own conference suite. In accordance with tradition, both the management and the so-called mid-level decision-makers – in the words of the personnel, “a mixed bag of the new and old decision-makers of the company” – attended the meeting. In the seminar's opening speech, the chief executive officer, Mr. Ranta, discussed the company's already familiar battle over the annual work for the customers. This was precisely because jobs had again been lost to competitors and now the operations needed to be considered in a different manner. “The situation is simply that we need to review our own operational processes in new way and, at the same time, the possible merging of the locations to each other. I, however, strongly believe that with these, and a few other arrangements already known to us, we will be able to sharpen up our operations to such a level that, in the future, we will take back the annual work we have lost. I am certain that the personnel understands what is going on and, hence, the basis of our actions”, enthused Ranta, in his own

inspirational manner. He continued: “Now we just have to go and look for work from a wider area than ever before and give the responsibility for the jobs to those who do them, and accept the fact that the jobs won't necessarily be lying around close to home anymore. I am sure that with the work related travelling that many of us are already familiar with, and with the sharpening up of the operational model, we will be able to arrange work for everyone who wants it. The only thing is that the cars might run up a few extra kilometres in the next few years.”

Interview sections conveying the shared meanings in relation to the story:

“He said that, in addition, it might be necessary to start merging location and rearranging the processes and then even xxx. He also said that, luckily, all (technicians and mechanics) understand what's going on.” PK 03-05

“Also, xx phoned about the matter and said that the cars might have a lot of mileage on them in the years to come, or then not, and that the mechanics have to get more used to their jobs being further away. He meant that he as well as the mechanics, would need to start looking for jobs further from home.” PK 03-05

“I also talked to xx. He talked about parallel economic things. We will never make it with this system. In the morning, the guys get off their arses [from the cafeteria] and then get back to their arses [back to the cafeteria]. The organization of the work has to be changed so that the mechanics have to take a job. That is to say, that the guys do the work and are then responsible for it. The bosses just arrange for the equipment and the jobs. Simply speaking, 8 men cannot be waiting for one job.” PK 03-05

Ranta barely had had time to finish his opening speech when basic engineer Pentti had already begun to address the thoughts he had presented. One could detect a certain hint of bitterness in the man's tone of voice, since he had earlier been participating in the development of the organizations' new operational models, only for, in past few years, things to have been developed in an altogether different arena. “The problem with our organization is its rigidity. If we carry on following all the existing guidelines and instructions, this business will not work at all. Of course there are issues pertaining to the company level, but we have to remember that there are also a lot of issues that have to be dealt with locally.” Tommi, who had suffered a similar fate to Pentti joined the conversation. He looked at the situation from a slightly different point of view, since he thought that what had been forgotten in the company's operation was looking at the bigger picture. According to him, all divisions still cannot see beyond their own noses and are not ready to work for

the common good. "We still have, even today, companies within the company that work according to their own rules. Some have, for instance, developed their own operational models without taking any notice of the demands and regulations of the other divisions. In my opinion, this is some kind of narrow mindedness. Operations might be much clearer were they to be developed together. I am, however, convinced that the operations in our field will be needed even in the future, and we really have great chances of doing nicely if we just finally get the operations united and the personnel to stay motivated and healthily in-line." Tommi opened up his own feelings about the situation.

Interview sections and diary entries conveying the shared meanings in relation to the story:

"The rigidity of the organization: If we go on to follow all existing guidelines and instructions, this business will not work at all. Empower is rigid but people would want it to be more flexible. Interesting observation. The gang feels that the company is modern, but would want it to be postmodern." PK 03-05

"...at this moment, there are companies inside the company, homemade CLAs (collective labour agreement), no one cares the slightest about the other divisions, I'm sort of referring to before, to what I said, that the thinking is too short-sighted and the bigger picture is forgotten. There is, how would one say it, god-awful small-mindedness... I expected clarity and, kind of, that new machinery would be used and openness in that it would be easy to search for information. Bureaucracy is the problem in this company. But bureaucracy is created by people... there are, after all, in a company of this size, those things that have to be managed by the central administration and, then, there are those local issues that need to be managed locally. And then there are those that demand both. I am all for the merger and I think in the long run it will increase the efficiency, if people will understand the merger ... I see the future as positive, absolutely positive xxx that the operations in our field are needed more and more in future and the total workforce in this field will decrease, and in the future there are really big chances if the personnel will be kept healthy, motivated and then, of course, young people are encouraged to come into the trade..." H3/35

The views of the prior management had become closer to those of the experts. The management had completely changed and the old management had not been able to influence the events. This showed up as criticism of the organisation and its bureaucracy. Now it was even considered whether or not there might have been other models for efficient operations within the organization. Fixed price jobs had again

been lost and the management was planning the rearrangement of the organization to rectify the situation. Jobs were searched for in earnest, but the rigidity of the organization had, according to the narratives, become a problem in and of itself. The old management, however, strongly believed in the future.

**4.4. After all the stories: an extract from the research diary, Summer 2004.** "It is 6.15 a.m. and I have been thinking about the discussion I had with the managing director last night. It was, indeed, very interesting and educational. Life is lived on different levels in the organization. The management lives its life and the personnel lives its own one. Hence, the management lives its life and is content with the real feedback from the field, which does not come. Real dialogue between the management and personnel is missing. There probably are not even people in the management who could take real feedback, since they are also only just human. The values of the company actually turn easily against themselves when it is not possible to live according to them. Personnel policy/strategies/managing by values should be more visible in the actual practical operations. => Operations, strategy and politics should be made part of everyday operations, so that they would not need to be discussed separately. Now, the problem with narrative management is in giving feedback. How can one give feedback in a manner that will not be damaging to oneself. It seems, direct feedback cannot really be given. Could it be so that the management should be told such stories that would make them become themselves aware of the operations, desires, wishes grievances and, especially, the welfare needs of the field. The management should, indeed, really enter the field in a REAL way."

## 5. Results and their examination

**5.1. The point of view of the meanings.** According to Allardt (1976), there are three dimensions (value classes) in welfare needs: standard of living, cooperative relationships and the forms of self-fulfilment. Each one of these three dimensions can be seen either as positive or negative. If a lot of negative things are mentioned about one thing, it is because in regard to that particular matter there is a lot of unfulfilled welfare needs and; if a lot of positive things are said, the welfare need can be said to somehow be fulfilled. On the other hand, it can also be thought that if everything is well or even reasonably well, people will not talk about it. In this case, welfare needs to occupy a neutral central point. According to this view, and in applying Allardt's theoretical frame of reference, it is possible to consider in which of the most central meanings extracted from the narratives elucidated by the research would there be particular needs and in which there is welfare, and, furthermore, which issues are in the neutral central point, i.e. have no relevance to the story.

On the basis of the aforementioned scheme of things, still applying Allardt's theoretical frame of reference, the positive, negative and unsaid (meaningless) welfare needs of different personnel groups and arenas were aggregated and the view of the dimension that was, at that moment, the strongest, was recorded in Table 1. By connecting the views of the single welfare needs, and with the help of the table, a general view about the narratives, and the meanings emerging from them, were elicited. As such, it was possible to interpret the development of the welfare of those involved in the change. In the table, "+" indicates that most of the meanings of that particular dimension were positive (the matter is in order). "-", for its part, means that the negative meanings of the dimension were the majority (there are unfulfilled needs in relation to the issue). 0 signals the meaninglessness of the dimension in the narrative at hand. The following paths of the different personnel groups were formulated from the most central meanings in the table and from the positive and negative changes in the value classes of the welfare needs coinciding with them.

From the central meanings and the welfare needs of the management, as well as from the changes in the

value classes, it can be deduced that the management of an organization faces a difficult situation in integration. Firstly, the managers enter the change as managers, believing in themselves and in their know-how. In the change, the organization they have built crumbles as they lose their status. Along with the lowering of their status, the previous managers fall down to the level of experts and experience the situation as negative. Losing their developed work community also causes a certain sense of alienation from the new organization. In the integration, the element of cooperative relations disappears or is left in the background. The standard of their living does not necessarily decline, but concerns about it increase. The material standard of living is still on the surface, but matters are also evaluated from the point of view of know-how and self-value. In the background there probably sits an ex-manager's notion, something along the lines of "I would have things to contribute... but". The management is, then, a personnel group that gets wounded in the change, one that, after being pushed aside, strongly evaluates the operations of the new organization. One remaining question is, then: what are the prerequisites for the old management to be brought into the fold of the new organization?

Table 1. The development of personnel welfare in different arenas

	Organization 2001	Organization 2003	Organization 2005	Power 2001	Power 2003	Power 2005	Culture 2001 (seller/buyer)	Culture 2003 (seller/buyer)	Culture 2005	Management of change 2001	Management of change 2003	Management of change 2005	Ownership policy 2001	Ownership policy 2003	Ownership policy 2005	Economy 2001	Economy 2003	Economy 2005
<b>Management</b>																		
1. Standard of living	0	0	+	0	0	0	0/+	-/-	-	0	-	-	+	-	+	+	-	-
2. Cooperative relationships	+	-	0	+	-	0	-/+	+/-	-	+	-	-	0	0	+	+	0	-
3. Forms of self-fulfilment	+	-	-	+	-	-	+/+	+/-	-	+	-	-	+	-	+	+	-	-
<b>Experts</b>																		
1. Standard of living	-	0	-	0	-	0	+/0	0/-	0	-	-	-	-	-	+	-	-	-
2. Cooperative relationships	-	-	-	-	-	0	+/+	-/-	-	+	-	-	+	0	+	-	-	-
3. Forms of self-fulfilment	+	-	-	+	-	-	-/+	-/-	-	+	-	-	+	-	+	0	-	-
<b>Supervision of work</b>																		
1. Standard of living	-	-	-	0	0	0	+/-	-/-	-	-	-	-	-	-	+	-	-	-
2. Cooperative relationships	-	-	+	0	-	+	+/-	-/-	-	+	-	0	+	0	+	-	-	-
3. Forms of self-fulfilment	+	0	0	+	-	-	-/+	-/-	-	+	-	-	+	-	+	0	-	-
<b>Mechanics</b>																		
1. Standard of living	-	-	-	0	-	0	0/0	-/-	-	-	-	-	-	-	+	-	-	-
2. Cooperative relationships	-	-	-	0	-	-	-/0	-/-	-	0	-	-	+	0	+	0	-	-
3. Forms of self-fulfilment	-	0	-	+	-	-	-/+	-/-	-	+	-	-	+	-	+	-	-	-

In integration, the position of the experts is relatively safe. They are attached to rely on their own expertise, continuing to rely on it even in the

change. They also develop their lives and welfare in other ways, based on their expertise, and this seems to keep them on top even in the situation of change.

The main challenge for the experts, then, is the battle over their own action space, which they have managed to develop for themselves in the old organization. They are concerned that when they head off towards the change, and even when the change is going on, that this will crumble away. This fear also reverberates in the form of a concern about losing power and as a need to market one's know-how. The experts also face the danger of diverging from the work community. Partly due to these reasons, both motivation and the welfare decrease during the change. Nevertheless, the expert who knows his job well can concentrate on doing it in peace, since the new action space area of operations always developed around the recurrent professional skill. However, the unskilled experts have to continue the battle over their own action space area of operations even after the change.

The personal situation of the work supervisors did not change much. Apart from in the very beginning of the integration, the work supervisors know what their skills are and trust them. In a sense, however, they lose out, since they are no longer asked about the matters pertaining to the change. During the change, they have to give up their old power and, at the same time, are left in the dark about the progress. They both know and succumb to the situation. During the change, the work supervisors are left to begrudge their old work community and the local connections it brought with it. Along with the loss of the work community, the work supervisors eventually only concentrate on doing their own job.

The mechanics' situation changed significantly. They had their own know-how, but in the change, their professional pride and self-esteem were being put to the test.

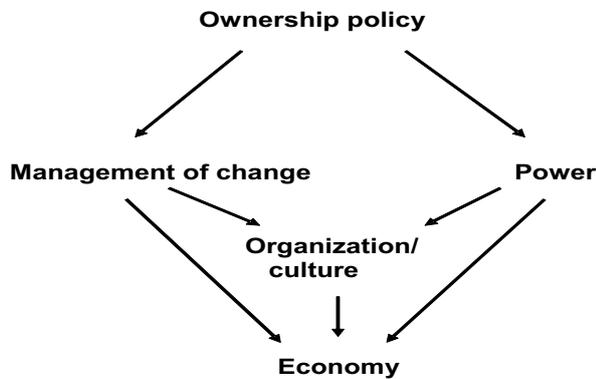
In addition, they had to give up their homely work community: in entering into the postmodern world, communities start to die out, and work becomes nothing more than the making of the daily bread. The life of the mechanics is not carefree during the change; with the worry about whether there will be enough work, also the welfare need enters relating to their standard of living. Life starts to revolve around this concern. In this way, the mechanics also become estranged from the new organization.

When examining the big picture, it can be noted that in the beginning of the integration, all of the personnel groups were quite eagerly going along with the change and they experienced positive welfare from it. Due to the aforementioned reasons, however, this positive charge died out and, two years later, the welfare feelings of almost all of the personnel groups, in all arenas, had become nega-

tive. Four years after the first change, the hope for a better future was revived by the new owner, and a strong sense of welfare was again experienced on the level of the ownership policy. This positivity, however, had not yet had time to affect the other arenas. It is noteworthy that the ownership policy of the new owner appeared to be regarded positively in all dimensions of all the personnel groups, as well as in the changes of ownership in 2001 and 2004. In both of these changes of ownership, the welfare of the personnel was, due to the situation of change, so weak in its entirety that the change of ownership was believed to bring positive welfare with it. It seemed to be common to all the personnel groups that they somehow became estranged from the new organization and their welfare weakened on a general level. In addition, the elevation of the status of money into a significant and central welfare need seemed to be common; although in all of the personnel groups this was presented as a negative welfare.

**5.2. The causal relationships between the arenas of the change process.** In this change, the different arenas also had clear connections as well as different levels in the development process. Thus, it can be asked what work, in this kind of alteration, is considered as the critical arena, what triggers the process of change in the first place and where will it finally end? Here, the result of the change was in accordance with Figure 3 about the causal relations between the different arenas of the change process. The arena of the ownership policy can be regarded as the primary, and for the personnel, the most meaningful, impetus of the change. In so far as it changes, according to this research, it will quickly have an effect on the meanings emerging from the personnel and, by the same token, on the welfare of the entire personnel. The two larger changes in ownership, as well as the larger number of steps that can be classified as belonging to the arena of the ownership policy, took place over the course of this research. In both ownership changes, the new owners were, from the viewpoints of all the personnel groups, experienced as adding something to the standard of welfare. The background of the owner did not influence the feeling of welfare. Indeed, the welfare of the personnel was already so frail that the change of ownership was believed to bring about positive welfare. Kettunen (1997, pp. 21-32) also follows the same line of thought in noting that people believe in the prospects of a better tomorrow and aim for a quality of life that is in accordance with the model of good life they have in their minds, and that they want to live in the future. This is why they consider the current situation as only being at an intermediate phase. Juuti (2005, pp. 1, 13) approaches the matter from the point of view of hope.

According to him, the awakening of hope sets people's positive resources into motion and this makes life once again meaningful and worth living. This hope for a better tomorrow that the new owner brought along can, in fact, emerge, for example, from the despair caused by the current ownership policy.



**Fig. 3. The causal relationships between the arenas of the change process**

The welfare of the personnel reverberates from the ownership policy to the organization and its operations, via the management of change and power and, via these, to people's economic situation, as well as to their views on the economics of the company. The management of change and power are core factors in the infiltration of the ownership policy into the operations of the organization. With a clear and well-defined management of change, the personnel knows where the change is heading. Often, however, neither the personnel nor the management of the organization heading the change knows this. For instance, Heifetz and Laurie (2001, pp. 131-132) and Kotter and Heskett (1992, pp. 83-92) have noted the difficulties faced by the management of the organization in carrying out the change. Here, the progress moved due to the vagueness of the ownership policy and to the management of change that had also been strongly criticised, from the firmly positive expectations to the firmly negative feelings. In the beginning of the integration, the welfare needs of the personnel were, in this dimension, relatively well satisfied. Yet, towards the end, there were a lot of unfulfilled needs. It might even be said that the self-esteem of the personnel had disappeared with the management of change. Two central challenges for the management of change received short shrift in the tumult of the change: Takala's (2001, pp. 43-44) observation that the employees need to feel that they are fully involved in the progress of the company, and the need for listening to the employees mentioned by Stauffer (2003, pp. 1-3) and Lanning (1996, p. 32). In fact, the change happened mostly in line with Alvesson's

(2002, p. 123) view, meaning that the management creates the rituals used in the organization, with the rest of the personnel remaining in opposition to these operational models.

The use of power is also an essential part of the management of change. In the arena of power, the expectations of the management and experts, relating to their own position, were the concern in the beginning of the integration and deepened while the change was going on. Even the final ownership changes did not have time to dispel them. In particular, the management lost some of its footing in the centre of power. During the change it was displaced and, at the same time, also estranged from the operations of the new organization. The situation of the work supervisors and mechanics was constantly lacking direction and unclear, and this uncertainty continued until the end of the research. This kind of management of change and use of power was also in evidence in the turnover of workers. In the field of electricity distribution, people were used to living under the safe protection of the monopoly, with no fear of the changes in the nature of jobs or of redundancies. During the four years of the research period, 34% of the personnel left the company for one reason or another. The large number of leavers was brought about by pension plans, redundancies and changes in jobs. The amount of leavers was, in the first four years of integration, surprisingly big, especially as it was in the field where the changes in the personnel had previously been minor.

The fruits of the management of change and power will be plucked in due time from the arenas of organization and culture, since through the management of change and the use of power, a new organization is created on the basis of the former cultures. One might think, then, that in culture everything would crystallize into one sought for whole. In the integrations that take place as corporate acquisitions, the rapid creation of a coherent culture can, however, be difficult. Then, also the chimera of the new organization remains unrealized. In the discussions, communality was, in fact, strongly present as an essential shortcoming, as a disappeared component in the quality of living. In the arena of the organization, the management has its own reality, which is largely based on the management concepts it has constructed. The managers are so integrated in this reality that, in a sense, they see the world only through their own management speak. Professional cultures also direct the language of other employee groups. The expectations, fears and hopes of these different groups are, thus, directed to different issues.

Finally, in the postmodern organization, the interest is no longer so much in a solidly functioning or-

ganization, culture, or other such thing, but instead, in money (Clegg, 1990, pp. 19-22, 180-184): the company is interested in its money and the estranged employees in their livelihood. The company's main tasks become bringing income to the company (Mäkinen & Purho, 2001) and the fulfilment of the employees needs – money (Kettunen, 1997, p. 265). Even in a postmodern organisation, the ownership policy initiates people's welfare as well as how money is made: only for the pleasure of doing or in good spirit. The status of the money becomes the most central welfare need of the work community and its personnel. In this change, due to the increasing feelings of being a bystander, what remains is the making of the daily bread. The gang used to feel respected, having a sense of communality, was no more. What was left unrealized in the change was Kettunen's (1997, pp. 24-32, 265) idea that life should be more than just a fight for survival, it should also include the planning of one's own individual dreams and the fulfilment of the needs, as well as the pre-requisite of the motivation and commitment of the employees expressed by Kortteinen (1992, p. 30). Furthermore, the pre-requisite of the good economic results, defined by Clegg (1990, pp. 19-22, 180-184), that is, the increase of the power and responsibility of the employees, was not realized. This reflects well the

development of the contemporary economic life in a situation that has not been well managed.

According to this research, the ownership change, ownership policy brings along a belief in the future and hope for the better. The future owner is less relevant. The ownership policy launches the change process, but it has no negative effects on people's welfare; on the contrary, it affects people in a positive manner. The disposition of the personnel comes from elsewhere, for instance, from the lost culture, lost power or the feeling of economic insecurity, from the crumbling and fragmentation of the old, familiar routines. The management of change and power, then, turns the welfare either in a negative or positive direction. All of this reflects on the future organization and culture, will it be good or bad being in the new organization and culture? In fact, Juuti (2005, p. 23) considers it to be important that people are involved in the search of the shared story of the organization. According to him, the contemporary management has often become too mechanical and, hence, has to pay the price of the cynicism and queasiness of the personnel, as well as the loss of dreams and humaneness. Finally, everything culminates in the making of money for oneself and for the new owners. Whether the money is made happily or unhappily will inevitably also affect the results of the new company.

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