

**Power and Power Relations in the Multinational Company:
An ethnographic study of
a British subsidiary of a Korean MNC**

Kyoungmi Kim
University of Warwick, UK
Kyoungmi.Kim@warwick.ac.uk

Background

MNC Context:

- Complexities in social relations created by different practices and legitimacy discourses (Dörrenbächer and Geppert, 2011)
- In-built tensions created by juxtaposition of two or more than two different parties of nationalities, languages and cultures (Vaara et al., 2005)

Why is Power important:

- Pervades all aspects of organising (Hatch and Cunliffe, 2012)
Expressed in 'acts that shape what people accept, take for granted, and reject' (Pfeffer and Lammerding, 1981)
Realised in interaction (Bargiela-Chiappini and Nickerson, 2003; Clegg et al., 2006).
- The imbalance of power can interfere with communication and arouse strong emotions in organisation actors.

Interdisciplinary Research

Applied Linguistic Research:

Ways of saying, being and doing
(Iedema, 2006)

Language use or talk for
constituting actions (Samra-
Fredericks, 2003).

Organisation Research:

Perspectives to better
understand organisational
forms and processes



Research Focus and Questions

How power is exercised dynamically among the actors of differing status, expertise and interests, interlinked with the organisational processes and practices

Research Questions

1. How are power and power relation among the MNC actors expressed in given situations?
2. How is power exercised in the local and organisational setting?
3. How contextual features shape the process of influence?

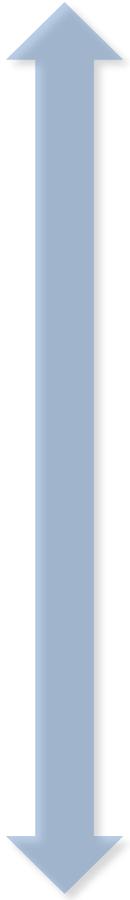
Understandings of power

- **Macro understanding:**

- Structure and contextual features of organisation that constrain and enable opportunities for influences (Brass & Burkhardt, 1993; Lawrence, 2008)

- **Micro understanding:**

- Power relations (re)produced, maintained and negotiated through routinized practices and in the process of organising and the discourse of organisational actors (Allen, 2003; Angouri & Angelidou, 2012)
- Power as a relational phenomenon experienced in the context of relationships with others (Hatch and Cunliffe, 2012)



Language, Communication & Organisation

- Language skills as a source of power that yields expertise and control of resources and opportunities (Marschan-Piekkari et al., 1999)
- Language-based networks for accessing information and knowledge (Vaara et al., 2005)
- Professional competence (ibid)
- Communication as Constitutive of Organisation: Language & Communication - Organisational processes (Cooren et al., 2014)



Research Context

- European head office in Germany and global head office in South Korea
- Eco UK:
 - A sales subsidiary of a Korean MNC
 - Four main departments – sales, marketing, accounting and operations
 - 51 staff (1 Korean MD, 1 British sales director, 2 Korean expatriate managers, and a Hungarian, 3 Korean, 43 British staff).

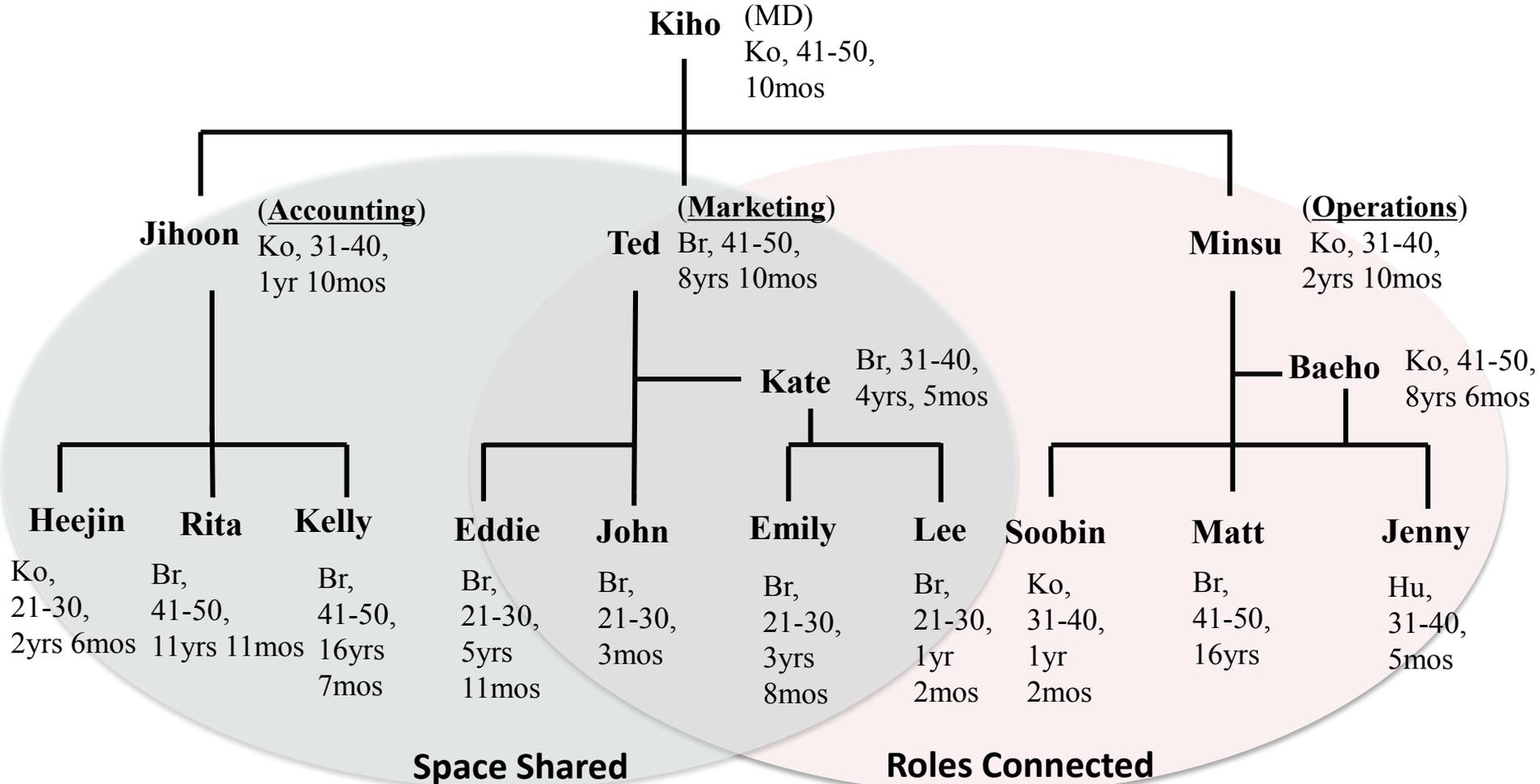
“You shouldn’t speak directly to the global headquarters. Because we’ve got European headquarters and we are a European company”

- Ted

“[...] so the structure in this company is very well set. You can’t go above the rank [...] you have to go through a correct channel.”

- Kate

Key Participants (Nationality, Age, Work Tenure)



Methods

- Institutional Ethnographic approach – connecting individuals' local understandings, activities and talks to social relations and the organisational forms and processes

October – December, 2014:

To gain insight into staff's interaction and practices

- Observing staff interaction, (In)formal interviewing 15 staff,
Audio recording a meeting among managers

July – August, 2015:

To closely capture whom they work with and how their roles and responsibilities are connected

- Observing staff interaction, (In)formal interviewing 11 staff,
Audio recording spoken interaction, Collecting staff's email

Preliminary Analysis

- **Power derived from the organisational structure (form & process):**
 - Control how things should be done
 - Control over access to communication and discourses (Clegg et al., 2006; Van Dijk, 1993).

“The Europeans will never be able to... We will never, in my opinion, be able to implement a pricing strategy without having the pre-authorisation approval of Koreans”

- Ted, Marketing manager

“I can attend meetings when my manager tells me to join... I think there are many things that I can learn through attending meetings. If my manager says “you don’t need to come” and I don’t go to the meeting, I won’t get any information and thus cannot work professionally. To be fair such decisions on staff’s participation in meetings can be made by boss. Yet I sometimes feel very much subordinate to him.”

- Soobin, Operations assistance

Preliminary Analysis

- **Language skills as other forms of power resource:**
 - Professional Confidence
 - Intimately communicating with head offices and Korean senior management
- >> Access to key information & Language-based network (Vaara,2005)

“[...] when Jihoon arrived, his English wasn’t very good in the beginning [...] Jihoon puts himself down a little bit because he says “my English isn’t too good” [...] If somebody asks, say, Kate came over and asked him a question. And he may look a bit confused. I would notice that. So I would talk, like, and say to him “look, Jihoon. She wants...” [...] you have to try to understand them to begin with, being a mother to them really, looking after them.”

- Rita, Accounting Assistant

Most of the announcements from the HQ is made in Korean, the key information is shared among the Korean expatriates

- Soobin, Operations assistant

Preliminary Analysis

Organisational Forms & Processes

- Power derived from the organisational structure:
 - Control how things should be done
 - Control over access to communication and discourses
- Language skills as other forms of power resource:
 - Intimately communicating with the head office and Korean senior management
 - Professional Confidence

Staff's practices & communication



Future Work and Issues

- Analysis of audio-recorded staff's conversation and staff's emails
- Examination of the interplay between organisational processes and staff's (inter)actions through which their relations are shaped

Under consideration

- 1) Framework to analyze the interactional data, which also can bridge the micro and macro understandings of power
- 2) Feasibility and usefulness of social network analysis to understand one's centrality and (re)producing network in light of power and communication
- 3) Taking account of staff change over the fieldwork periods (previous and current MDs and local staff)
- 4) Challenges of doing interdisciplinary research

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Thanks 😊

Kyoungmi Kim
University of Warwick, UK
Kyoungmi.Kim@warwick.ac.uk