A qualitative analysis involving a clash of cultures: accommodation between Japanese and Australian cultures in a changing manufacturing environment

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Abstract

Investigating from the perspective of organisational culture change, this thesis analyses the impact on culture of Toyota and Nissan as they brought Lean manufacturing into respective, already existing, automotive manufacturing organisations in Australia. The outcomes were complicated by swift and significant changes in the operating environment, as well as a heavily unionised workforce and industry which operated in a different paradigm to the enterprise unions in Japan. This leads to the research question: what happens when organisational change is instigated by the introduction of Lean manufacturing methodology by a Japanese parent, into two already operating Australian automotive assembling companies?

To answer this question, a qualitative approach was employed; specifically the strategies used were case study with classical grounded theory. Data was obtained through interviews, document analysis, site visits and observation, both in Australia and Japan.

It was demonstrated that Toyota and Nissan differ quite significantly in their core assumptions, and these in turn impact the discourses' view and how it responded. The elements which influence this emerged from the study and have been detailed.

The area of which emerged as the core area of study was recognition, and a causal consequence processual model explains the means by which the participants solve this main concern of recognition, recognition and punishment or lack of recognition through Legitimising Resistance.

The finding also demonstrates that Toyota consider itself as being the discourse, rather than competing to become the discourse. The Toyota discourse is defined by its highly conceptual nature and ignited resistance at the Australian site, where masculinity and masculine values had traditionally been recognised. Nissan's discourse was operating in the engineering or technical paradigm, appearing to manage myopically which conversely in the Australian setting actually reduced overt resistance, though the discourse failed to recognise the value of elements of the Australian operation.

The main socio political theories of recognition are discussed, including the contribution that this unique research makes to the existing literature; particularly as the examination of the failure of Lean transplants is rare in the literature (Clibborn and Wright 2016).
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I, Melanie Janet Dare, declare that this thesis, submitted in fulfilment of the requirements for the award of Doctor of Philosophy from the Faculty of Business and Law, Swinburne University of Technology, Melbourne, Australia:

- contains no material which has been accepted for the award to myself of any other degree or diploma, except where due reference is made in the text of this thesis;
- to the best of my knowledge contains no material previously published or written by any other person except where due reference is made in the text of this thesis;

Ethics Approval
This thesis has been approved by the Swinburne University Human Research Ethics Committee (SUHREC), Application 2011/221 (see Appendix 1).

I certify that all conditions pertaining to this ethics clearance have been properly met and that annual reports and a final report have been submitted.

Signed

Melanie Janet Dare
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Chapter 1: Purpose, Significance and Context

This chapter discusses the purpose of the thesis, the reasons why this research is significant and provides the background and context to the automotive manufacturing industry, globally and in Australia. Included also is the background and context surrounding the union movement both in Australia and Japan as it relates to the industry. It finishes with a discussion on organisational culture, and defines the general culture in the Australian work environment.

1.1 The purpose and significance of this thesis

This thesis investigates the impact and result of two Japanese automotive manufacturing companies – Toyota and Nissan bringing ‘Lean’ manufacturing techniques (also referred to as ‘Japanese manufacturing', Schonberger 1982, Schonberger 2007) into respective existing Australian manufacturers. The perspective taken is to understand the impact on organisational culture. Adding to the complexity, the installation of ‘Lean’ was occurring whilst both organisations operated in a complex, changing and increasingly ‘global’ operating environment.

Lean manufacturing is defined as much as what it is not, as what it actually is. Womack, Jones and Roos (1990 p 13) define Lean as an:

innovative production system... that combines the advantages of craft and mass production, whilst avoiding the high cost of the former and the rigidity of the latter. Towards this end Lean producers employ teams of multi-skilled workers at all levels of the organization and use highly flexible, increasingly automated machines to produce volumes of product in enormous variety....Mass producers set a limited goal for themselves – “good enough,” which translates into an acceptable level of inventories, a narrow range of standardized products... Lean producers, on the other hand, set their sights explicitly on perfection: continually declining costs, zero defects, zero inventories and endless product variety.

There is an unwavering commitment to continuous improvement, focusing on waste elimination, having a flexible work force and the dedication to quality which both Toyota and Nissan espouse as functions of Lean and essential to their operations.
The long recruitment and induction processes, the distances between sites, diversity of languages, types of roles, variety of products also impact both organisations. The question then becomes how the organisations implement this change to Lean techniques where mass production had been operating? What accommodations were made, or not? Why might one organisation might be more successful in the implementation of its practises and philosophies in one location that another? For example, quality circles (which form part of the continuous improvement tenet) are meetings which are dedicated to sharing ideas for greater quality and efficiency. These are paradoxical in that they work to achieve the desired outcome in some circumstances (like Toyota Japan) but to a far lesser extent in American organisations (Meyer & Scott 1985).

As Japanese automotive manufacturers, and experts in Lean methodology, Toyota (and Nissan to a lesser extent) have been the subject of significant study with regard to Lean operations and trying to replicate this efficiency outside these companies home location in Japan (e.g. Wickens 1987, Garrahan & Stewart 1992, Oliver & Davies 1990, Adler & Cole 1993, Young 1992, Rehder, & Thompson 1994, Besser 1996).

With regards to entering Australia, Toyota’s first contract was as a client of Australian Manufacturing Industries (AMI), who assembled Toyota models from 1963. Then Toyota transitioned to a minority (what amounted to fifty per cent) partner, and reflecting this, the company became AMI Toyota in 1971 (Davis 1999). In 1987 Toyota purchased all remaining shares in the company and it became Toyota Motor Corporation Australia. Australia was Toyota’s only independent venture which did not start as a purpose built, greenfield site, hence it is significant in its difference.

Toyota’s decision to cease its manufacturing operations in Australia was announced in 2014, accompanied by the suggestion that the high Australian dollar and lack of government support combined with an industrial relations system that impedes flexibility and efficiency of their operations was in part to blame for its impeding exit, but their decision to close also invites questions about their ability to effectively bring change.

Converse to the transitive approach of Toyota, Nissan purchased an existing factory (Motor Producers) site in 1976, where the assembly of Datsun models amongst
other vehicles (Volvos and Volkswagens) was being undertaken. This was also Nissan’s first and only manufacturing site which did not commence as a greenfield site. In spite of the investment of $AUS467 million from 1989 to 1992 to modernize the plant (Manuel 1992) the decision of Nissan to close left it with massive and enduring debt, and also posed many questions. In the only academic article about Nissan Manufacturing Australia Minchin (2007) details the end of Nissan Manufacturing Australia, and suggests the closure resulted from the diversity of unions, high absenteeism and an inability to drive a cultural change.

The question remains however, if the system of Lean manufacturing offers superior efficiency (Womak et al 1990), is able to be implemented universally (Schonberger 2007), and was reported to operate in Australia to noted success (Clarke & Mia 1993), it seems at odds with the fact that all three Japanese Lean manufacturers (Toyota, Nissan and Mitsubishi) have closed or are closing operations in Australia. Why did these companies decide to close? Was Lean actually successfully implemented in Australia, or were there limiting factors which hindered full implementation? What were the limiting factors and what enabled change to occur? These questions are not answered in the literature, and whilst Japanese Lean manufacturing transplants receive a good amount of attention in the literature (e.g. Young 1992, Hilthrop 1992, McLachlin & Piper 1990, Spear 2004, Atkinson 2010); the failed transplants are left largely unmentioned (Clibborn and Wright 2016). Additionally, as Toyota and Nissan have been successful manufacturing in other countries such as the USA and UK, (Besser 1996, Garrahan & Stewart 1992, Wickens 1987), the question becomes why did they cease or commence ceasing in Australia?

Bearing this in mind, this thesis is dedicated to addressing the former questions from an organisational culture perspective. It will understand and define the clashes and/or accommodations of cultures, and if and how change was brought about through the introduction of Lean manufacturing into the two Australian workplace environments which were to become Toyota and Nissan Australian manufacturing companies respectively. Finally, what were the consequences? If Lean is according to Womak et al (1990 p 13):

half the human effort in the factory, half the manufacturing space, half the investment in tools, half the engineering hours to develop a new product in half the time. Also it requires keeping far less than half the needed
inventory on site, results in fewer defects, and produces a greater and ever growing variety of products.

Then why did these organisations fail? Was it a cultural issue?

According to Shein (1996, p 240):

Concepts for understanding culture in organizations have value only when they derive from observation of real behaviour in organizations, when they make sense of organizational data, and when they are definable enough to generate further study…. the failure of organizational learning can be understood more readily by examining the typical responses to change by members of several broad occupational cultures in an organization. The implication is that culture needs to be observed, more than measured, if organization studies is to advance.

Hence the organisational culture of both organisations will be examined qualitatively.

As both organisational performance and effectiveness are also dependent on the degree to which the organisation can match its internal operations with the external environment in which it operates (Burke, Lake & Waymire Paine 2008), this research will also consider the operating environment and its impact on these two company cultures. As a company’s culture pervades, influences and often dictates the way a business conducts itself, culture ultimately can underpin or undermine business effectiveness (Gephart, Marsick, Van Buren & Spiro 1996). In fact it is argued that there is a causal link between a company’s culture and its performance (McCabe 2010, Ilies & Gavrea 2008, Lewis 1994). Whilst others criticize the lack of rational, qualitative data (e.g. Kwan & Walker 2008, Marcoulides & Heck 1993), it is acknowledged in the case of quantitative studies that by nature of being quantitative they cannot display a holistic picture of organisational culture (Kwan & Walker 2004).

If the idea of Lean is to be considered ‘the answer’ to resolve the need for efficiency, quality and effectiveness in the two companies concerned in this study, the research question centres around what change occurred associated with the implementation of Lean occurred and how this change was enacted in the respective organisational cultures and in response to the external operating
environment. Specifically the research question becomes: what happens when organisational change is instigated by the introduction of Lean Manufacturing Methodology by a Japanese parent into two already operating Australian automotive assembling companies operating in a changing environment?

1.2 Background and context

1.2.1 The Global Automotive Industry

The 1930’s saw the birth of Toyota and Nissan as automotive manufacturers, though without very significant Japanese centric governmental intervention neither organisation would have survived their beginnings (Cusumano 1985). During World War II, both Nissan and Toyota manufactured trucks and transport vehicles for the Japanese army gaining significant knowledge and understanding of the industry in this process. Japan’s decision to pursue an automotive manufacturing industry post World War II was debated by its parliament and the country narrowly avoided missing the opportunity entirely (Trevor 1986).

Despite both companies operating as automobile manufacturing entities, and although they are both Japanese companies using Japanese methods of manufacturing, their divergent organisational viewpoints are illustrated by their decisions of how to conduct their operations from conception. Toyota spliced their own methods, using a combination of what was available in the market with their own knowledge of production as they had a long history of refining techniques in weaving, fabric and textiles and capabilities (Toyoda 1985). Alternatively Nissan followed a USA centric approach to learning the industry and its methods (Cusumano 1986).

As the automobile manufacturing industry began to accelerate, it became dominated by “the big three”, General Motors, Ford and Chrysler in the 1960’s and 1970’s. Each company had begun to make inroads into Japan, and so the beginning steps of globalisation are evident in automotive manufacturing, as with other industries from the 1960’s.

From the 1970’s conducting business became an increasingly global arrangement, rather than local or country specific (Schonberger 1982, Hofstede 1994, Tayeb 2001), although this is especially true for automotive manufacturing (Schonberger 1982). Now countries interdependence drives the need to work together, with mass
communication, and transport technologies driving the world closer than ever before (Tayeb 2001).

More so than many other industries (with the notable exclusion of the technology industry), the automotive manufacturing industry in particular has been marked by aggressive, swift moving and unprecedented change. Acquisitions, mergers and alliances have increased significantly from 36 in the year 1985 to 102 in 1990 (Heller, Fujimoto & Mercer 2005) indeed $US71.4 billion in business arrangements was activated in the industry in 1999 alone (Ramaswamy 2009). By the year 2000 there were six automotive groups controlling 82 per cent of the car market (Ramaswamy 2009). Such a forceful, competitive, global environment mean only the most effective and efficient operators survive in the market (MacNeill & Chanaron 2005).

1.2.2 Time line of the Australian Automotive Assembly & Manufacturing Industry

The industrial revolution and mass manufacturing made the motor car both accessible and affordable in many first world countries, though particularly in Australia, a country which had little infrastructure and was sparsely populated across large geographic areas (comparative to the UK & Europe). Australians were enthusiastic, early adopters of the motor car (Fuller 2012). Prior to World War II, shipping vehicles to Australia was less logistically practical, and low tariffs and availability of labour in Australia stimulated the local growth of assembly plants. The government had decreed that the fully Australian made car was to be a priority, however when World War II erupted, the nation’s focus shifted. The idea of a wholly ‘Australian made car’ for Australian conditions was to be delayed by some years as war time meant all priorities and resources were dedicated to activities such as manufacturing of war vehicles (Australian Automotive Intelligence Yearbook 2013).

Although mode of entry into new market is critical to organisational success (Shane 1994), there were limited choices for companies coming to Australia for automotive manufacturing, hence entry to Australia was overwhelmingly either licensing and/or acquisition. The 1930’s saw larger manufacturers in Australia becoming subsidiaries of the American ‘Big 3’, with Tarrant Motor and Engineering of Melbourne becoming agents, then an assemblers, then were acquired by Ford entirely (Davis 1980). Holden Motor Body Builders - a General Motors focused
licensee - was later purchased by General Motors and interestingly ‘Holden’ is the only Australian company name which has endured (Davis 1980). The most enduring company was Eclipse Motors which commenced operations in the 1920’s, and became Standard Motor Co, then AMI, then AMI Toyota, and finally TMCA. By the 1940’s however Australia had an accomplished vehicle assembling industry, though still looked squarely to America for its support and direction (Davis 1999).

Post World War II saw the Australian economy develop solidly, and the Australian government looked to revive the idea of an Australian Car, a proposal from General Motors Holden deemed appropriate. On 29th November, 1948 the first General Motors Holden (GMH) ‘all Australian’ car was produced in Melbourne and it marked the shift of the industry from assembly to manufacturing in Australia (Conlon & Perkins 2001). It was likely from this point that the humble motor car commenced what was to become enduringly an extension of the Australian identity (Fuller 2012).

As with later decades the 1950’s were marked by mergers, acquisitions and closures as international manufacturers jostled to position themselves in Australia. Austin, Morris, Standard Motor Co. & Roots all opened plants, Roots group closed theirs in 1965, British Motor Corporation (which would become Rover) rationalised, and Standard Motor Co succeeded for a while to assemble Leyland, Mini Moke and Peugeot but eventually ceased this arrangement in 1983 (Australian Automotive Intelligence Yearbook 2013).

Continental and General built in Melbourne in 1955, assembling Peugeot, Renault (and Studebaker and Citron for a while); later doing some contract assembly for Ford but closed their doors in 1981 (Australian Automotive Intelligence Yearbook 2013). Pressed Metal Corporation (30 per cent Rover owned) opened in 1956 conducting Land Rover assembly and (from 1966 to 1972) also assembled Nissan’s Datsun cars in the 1970’s (Davis 1987).

Martin and King established their Volkswagen assembly plant in 1955 at Clayton in Melbourne; this was later to become a Volkswagen owned site before it was rationalised to become Motor Producers and then sold to Nissan (Davis 1987).

Standard Motor Co was renamed Australian Motor Industries (AMI) in 1958 and took on assembling Triumph, Rambler and briefly Mercedes-Benz, before 50 per cent was acquired by Toyota in 1971 (Davis 1999). AMI became AMI Toyota in 1971 to reflect Toyota’s involvement, and in 1987 Toyota Japan purchased the
remaining 50 per cent shares, hence taking a majority stake by 1988 (Davis 1999). Toyota was rationalised in 1989, from Thiess Toyota (Sydney) and AMI Toyota (Melbourne) to become three main operations: Sales and Marketing (centred in Sydney, New South Wales, following the Thiess Toyota history), Engineering & Manufacturing, and Finance & Planning (both based in Melbourne, Victoria) (Davis 1999). Toyota was operating their manufacturing out of two Melbourne locations at this point. Altona was responsible for body panel and engine manufacture, Port Melbourne where Corolla (and later with the GMH joint venture) Nova were assembled. Dandenong was added later as the centre for the joint venture with GMH where Camry/Apollo models were manufactured. They consolidated all manufacturing in 1994 to their newly built Altona, Victoria site (Davis 1999).

The Australian government, intent on increasing Australian content, introduced legislation in 1965 designed to 'encourage' high volume producers to introduce and maintain 95 per cent local content. This became rapidly unsustainable for Volkswagen who reverted to lower volumes in 1968 (Conlon & Perkins 2001).

1973 brought the 'oil shock' and as a result, buyers, particularly those seeking a second car in the family, sought smaller more fuel efficient cars. Although Australian buyers were looking to smaller vehicles, Australian manufacturers were focused on producing larger ones both for local and export markets (Conlon & Perkins 1988).

As a result of the shift in market demands Leyland closed manufacturing of its P76 in 1972, though it continued manufacturing until 1983 (Australian Automotive Intelligence Yearbook 2013). Higher tariffs were applied to imports to protect the local market, and the government changed to an 85 per cent local content rule, and it was this that first attracted Japanese companies’ interest, effectively resulting in Nissan and Toyota buying in to what would become their respective Melbourne operations.

Mitsubishi, the third and last of the Japanese automotive manufacturers to arrive in Australia, in 1980 purchased the Chrysler Adelaide plants, subsequently closing their operation in 2008 (Davis, Dowling & Norrie 2008).
1.2.3 Changing government policy

Additionally the late 1970’s heralded government policy seeking to bring Australia in line with the direction of world economic policy, marking the beginning of globalisation influencing Australia (Fuller 2012).

The decade of the 1980’s was no less tumultuous than the preceding four decades. In spite of its promise of support, the government had since begun to quietly tally the cost of providing assistance to the industry, with certain factions favouring alternative industries like mining and energy (according to a report tabled for the government by Senator Hugh McBride, ‘Employment Outlook for Australian Passenger Motor Industry Production report’ from 6th July 1984).

The Australian dollar was floated in 1983, accompanied by financial deregulation and the reduction of import tariffs. The nation had commenced dismantling the wage indexation system, to move towards collective bargaining. As the automotive manufacturing industry was not as robust as other industries, the government impact on funding and tariffs threatened to undermine the industry which was balanced on a knife’s edge between success and failure (Berg 1985). Export and rationalisation were highlighted by the government as the keys to Australian Automotive manufacturing future (Conlon & Perkins 2001).

The precarious balance maintained for some tipped over though, and Renault assembly closed in 1981, Leyland closed in 1983 and Volvo assembly at Nissan ceased in 1989 (Australian Automotive Intelligence Yearbook 2015). General Motors Holden and Ford rationalised their plants, closing interstate operations. General Motors Holden were sliding into financial distress, and on strong government encouragement formed a joint venture company with Toyota in 1989, named: United Australia Automotive Industries (UAII). It involved a model sharing program and also replaced the Nissan Holden Alliance which had been in place since 1983. This meant that cars were manufactured jointly and the same car was built by both organisations; however, they were ‘badged’ separately (Russell & Cohn 2012) - that is to say that the cars bore either a GMH or Toyota badge with the respective companies individual logos. It allowed marketing of the two organisations to remain as separate functions, whilst encouraging manufacturing and production expertise information sharing (Russell & Cohn 2012). It was a venture with mixed success, dissolved in 1996 (Russell & Cohn 2012). Japanese imports were gaining traction, as well as exports ramping up with Mitsubishi.
Australia exporting the Magna to Japan, and Nissan casting was almost solely dedicated to exporting.

### 1.2.4 Industry Rationalisation

Rationalization and expansion of export was deemed by the government in the late 1970’s as the way forward for Australian manufacturers, but it took until 1984 for significant changes to reach the automotive industry in the form of the introduction of the Motor Industry Development Plan. This report was typically known as the Button plan or the Button report, named after Senator John Button the then Minster for Commerce Trade and Industry.

The plan’s intent was to rationalise the automotive manufacturing industry in Australia, specifically quoting Button’s 1984 statement the strategy was borne by the then government who was aiming to secure the future of the industry. It’s four central aims were to:

1. Give the industry more time to restructure and modernise;
2. Make it more efficient;
3. Hold down the price of cars; and
4. Reduce job losses in the short term and provide job stability.

The measures adopted to achieve these goals were:

- To improve economies of scale by cutting the number of models from 13 to 6 or less;
- Establishment of an Automotive Industry Authority to oversee the manufacturing process;
- Allocation of $150 million over five years for Australian design and research;
- Gradual reduction of import restrictions; and
- Continuing help with labour programs in the industry.

According to the Button report, in 1984, 80 per cent of market demand was met with local production, and of the remaining 20 per cent, 80 per cent of that was imported passenger cars coming from Japan. In 1984, of the cars that were registered Ford had 29.25 per cent of the market, GMH 21.46 per cent, Toyota 12.12 per cent and Nissan had 10.78 per cent, having overtaken Mitsubishi who then assumed 5th position with 9.53 per cent (Australian Chamber of Automotive Industries 1988).
Senator Button was adamant that change was necessary and stated in his conclusion (Button, 1984 p. 11):

... [The] future is much more in the hands of the industry than the government. It must make new initiatives and difficult adjustments. The Government has laid down a policy framework within which the industry can modernise and progress. The Government has confidence it can do so. The community is entitled to see that it does.

The timing of the Button Plan was hugely significant because it coincided with a time when Australia as a nation had become aware of the changes to the way automotive manufacturing was being perceived and conducted worldwide. Japanese exports had risen significantly, enough to establish a threatening presence as far as for western manufacturers. Japan's manufacturing prowess was well known, as early as 1965 the Japanese manufacturers had matched or surpassed the productivity levels of American automakers (Cusumano 1985). Indeed by 1980, Japan had replaced America as country producing the largest number of automobiles in the world (Cusumano 1985). Attention firmly turned to the Japanese manufacturing techniques, which were to become a dominant influence in manufacturing, particularly automotive manufacturing from the early 1980's (Schonberger 2007).

The decade of the 1990's was characterised by more closures than opportunities. Nissan closed its doors to manufacturing in 1992; the last of the small car production to leave Australia was Nissan's Pulsar model. Medium and large car production continued, and Toyota shifted into their purpose built Altona factory in 1994. Spectacular growth of exports were maintained by General Motors Holden, Toyota and for a while Mitsubishi (Australian Automotive Intelligence Yearbook 2013). Imports from Hyundai entered the market and began to enjoy significant success in particular with Daewoo & Kia, and a swing back to European brands emerged and Volkswagen increased its importing presence. Additionally, Ford and Holden began relying more heavily on their European made car imports (Australian Automotive Intelligence Yearbook 2015).

The first and second decades of the 2000's were characterised by the closure of the automobile manufacturing industry in Australia. All four companies (Mitsubishi, Ford, General Motors Holden & TMCA) announced closures of their manufacturing facilities. Mitsubishi closed in 2008, Ford announced their closure in 2012 due to
poor sales of their Falcon range, General Motors Holden due to poor sales in 2014, followed lastly by Toyota, the final automotive manufacturer to confirm its intention to leave Australia (Australian Automotive Intelligence Yearbook 2015).

1.2.5 The workforce and unions in Australia

The Australian manufacturing workplace culture is characterized by a compliance driven and unionized workforce, where the union operates in direct opposition to the management structure, the basic accepted assumptions being that the management structure will seek to give the minimum pay for the maximum work output and the workers will seek maximum remuneration for minimum work (West & Murphy 2007). As Australia has looked to the UK or USA for the ‘way’ of structuring its work force, traditionally Taylorist mass production methods have been and still are to a significant extent the dominant paradigm. In more recent times diversity management and creating a culture that recognizes the values of different experiences, beliefs and national cultures has only very recently improved from mediocre to above average in Australia, according to Fenwick, Costa, Sohal & D’Netto (2011).

The nature of the unions in Australia, their organisational behaviour and impact mean it is impossible to divorce the element and beliefs that accompany unionism as both an organisation in its own right and a fundamental part of all manufacturing organisations.

To understand this context it is important to consider Australia’s more recent history. The native Australians, Aboriginals (current discourse refers to them as the ‘traditional owners of the land’) lived in Australia for approximately 40,000 years. The arrival of the First Fleet from England in 1788, headed by Captain Phillip commenced the colonisation of Australia (by the United Kingdom). Established as a British colony (without coordinated resistance from the Aboriginal tribes), Australia modelled its legal and political systems on the British system and therefore when conflict occurred between groups a similar response to what would have been considered appropriate in the UK was adopted in Australia. Hence by 1791, the country had experienced its first recoded strike, with convicts uniting to demand daily rations as opposed to weekly (ACTU website).

Gathering together in a group for protection is a basic human condition, doing it in an organized fashion to negotiate, address injustice, bring change, gain or protect
power is a more recent impact of industrialisation. Adopting the trade unions style method of organizing, whilst not exclusively a custom from the United Kingdom, is where the belief in such a system has stemmed from in this country as a vast majority of the very early settlers were British, Irish or Scottish (MacLeod 2006).

Although the first official union organisation was recorded 1830 with the Shipwrights union, there is evidence of the banding together of workers to achieve improved working conditions and wages prior to this, as evidenced by the case of the convicts as discussed above.

Morgan (2006) explains that the formation of unions has arisen in response to the concentration of people as workers in one location for the purposes of mass production. Designed and based on the idea that the company will seek to gain increasingly larger amounts with shrinking resources yields the assumption that this company orientated force must be balanced with unionism. With unionism protection can be sought by banding together as a large number of people make a formidable resource. Hence the union movement in Australia traditionally stood to oppose the company in which it resided, though the level of militancy depended on the industry and to an extent the organisers. Traditionally unions with members undertaking more physical works, thus requiring greater physical strength tended towards a greater degree of militancy, whereas those who favoured cognitive skills such as managerial unions tended to take less action, and hence was subject to early merging with other unions to survive. To underline these points for example, a recent (witnessed June 2016) slogan of the CFMEU (the Construction, Forestry and Forest Products, Mining and Energy Union) featured a menacing looking rearing cobra, the tag line being “When provoked we will strike”. Compared to APESMA (the union to which engineers, architects, veterinarians, scientists, IT professionals, surveyors, managers and pharmacists might belong), who supported a much wider group of industries yet also displayed the catch phrase “Respect, recognition and reward for every stage of your career” (APESMA website).

A company’s response to the union will vary, though traditionally there have been attempts to negotiate, negate, placate, avoid, compete and in some cases force strategies to prevent or limit the union’s capability for impeding a company’s objectives.
The paradigm of basic assumptions that drives this philosophy in Australia is that the union movement operates on the assumption that the company (and its management) want to get more resources/energy/work output out of its workers, for less outlay/expense. The basic assumption of the company is that the workers want to do less work, for more money (West & Murphy 2007). The underlying belief is that the opposing forces are necessary to create balance. This multi-layered dialecticism demonstrates the idea of opposing forces creating balance, and tension at the same time. For example when as an employee one wishes to do a good job, but by the same token as a union member operates to oppose various company initiatives to gain efficiency, (for example protesting or striking or arguing to oppose automation which will mean less jobs and therefore workers) but having to maintain the machines themselves to keep the factory operating, to keep themselves in a job, one is potentially pulled in two opposing directions at once.

1.2.6 The automotive unions in Australia

Although there were several unions operating within the automotive manufacturing industry, the majority of employees were members of the Vehicle Builders Employees Federation of Australia (VBEF), who subsequently became part of the AMWU (Australian Manufacturing Workers' Union).

The changing nature of how the all the unions saw themselves and their position evolved as the environment changed from the 1940’s to the 2000s. The evolution informed the dominant logic which endured along with the impacts on the automotive industry. During the early years, unions were concerned with financial security and conditions, protection of job numbers and trade skills. As legislation was introduced to universally protect what were considered minimum standards (wages and conditions, employment protection and rights of workers as far as expectation of ongoing work) the perception of type of protection changed. It also marked the union member numbers beginning a gradual but consistent fall commencing from the late 1970’s. The industrial relations landscape was shifting particularly in the late 1980’s and the power of the unions to cause outright disruption over ‘minor’ or less consequential matters was being eroded both legislatively and by public sentiment. Union numbers had been in steady decline, hence to stay relevant and consistent with the paradigm that the union is ‘the protector’, worker occupational health and safety, and training and development
emerged as a major platform for the unions to continue its championing of workers (Holland 2014).

Traditionally in Australia, the mounting of opposition by the unions has been considered the necessary balancing force consistent with the paradigm that ‘balance’ is the ideal state. This paradigm is repeated throughout the nation. For example take the governing system in Australia, where of the two major parties one is elected (referred to as the Government) and the other sits in opposition (referred to as The Opposition). To pass laws (or bring about change to the current state) the Government must have a majority, so even though it maintains a legal mandate to legislate, it still potentially needs to negotiate with minor parties (and potentially some of the opposition) to bring about change. The opposition meanwhile is expected to oppose. Generally this takes the form of strategically criticizing, pointing out mistakes and flaws of a potential new state and of the existing state which the government is responsible for. Also opposition is performed by legally challenging and strategically presenting to stakeholders a view that generally different to and seeking to undermine the government's. The government meanwhile, is expected to govern. The same oppositional system exists in the justice system (defence and prosecution) and even in the basic idea of debating, two opposing forces must come together.

Without government there is no opposition. Without the company to create jobs and thus maintain employees there is no money for union fees, no protection needed, no union. Without the union however, potentially there can still be the company (interview 7), so the employees, whether they be union or not, still need the company to provide employment. Hence if someone chose not to pay union fees, for example if they did not see value in membership, the union would cease to exist.

The Australian union discourse is characterized by presenting membership as a state of protection and improved security amongst a back-drop of heightened uncertainty, threatened security and common enemy, as well as physical safety. This has consistently been the unions’ dominant paradigm long before Toyota and Nissan began to manufacture here, and it is still in existence.

1.2.7 The automotive unions in Japan

Given how Australia and Australians (in general) conceptualized the union movement and its value, and distinguishing it as an opposing force, it is valuable to
then define the Japanese perspective to understand how the Australian system might be considered by the incoming management system.

In Australia there is clear delineation between union shop stewards and company appointed management. In Japan, there is no such delineation. One can go in and out of union positions whilst in a management capacity, indeed it is considered a positive step for ambitious ‘company’ people to participate in a union position, hence the enterprise unions take on a more symbolic, rather than literal protection in Japan (Cusumano, 1985, Dohse, Jürgens, & Malsch 1984).

To understand the Japanese perspective however, history is the best demonstration of the paradigm. Post World War II occupation the Allies encouraged the establishment of unions in the traditional, oppositional sense (as discussed above). So it comes as no surprise that consequently in the late 1940s and early 1950’s the Japanese workforce became engaged in a series of disputes with regards to pay and conditions.

As Japan is considered ‘collective’ type culture (Hofstede 1988), the idea of a union might be assumed to be both understandable from the Japanese perspective and possibly even an advantage; however, the conceptualisation of union and the way it ‘should’ behave is quite different to the Australian way for Japan (Dohse, Jürgens, & Malsch 1984).

Enterprise unions are the common place accepted norms in Japan (Dohse, Jürgens, & Malsch 1984). An enterprise union is where a large organisation such as Toyota or Nissan, Subaru or Suzuki has its own individual ‘company based’ union, dealing directly with the decision makers to ‘negotiate’ on behalf of its members the best outcome in terms of pay and conditions. Post war unionism promoted by the allied forces was considered by the Allies as an essential element of ‘democratization’. Although both Nissan and Toyota had in place existing enterprise union arrangements, they were not dedicated to the outright opposition of company decisions and were considered weak hence the Allies attempted to instigate industry wide unions instead.

Although Japan’s decision to protect and develop the automobile manufacturing industry within its shores was seen by the then Japanese government as an opportunity for economic growth, at the intervention of the Allied government post World War II it was decided that change must be driven within the employee union
The idea was to alter the power structure, and move the paradigm from (what were considered as weak) enterprise unions, to a more powerful industry based collective union. Hence Zen Nihon Jidosha Sangyo Rodo Kumiai (All-Japan Automobile Industry Labour Union, or Zenji for short) was organized with surprisingly swift and significant popularity amongst blue collar workers. The rise of an industry based union, and the ensuing power it wielded caused significant concern within the Japanese automotive manufacturing industry (Dohse, Jürgens, & Malsch 1984).

However as a consequence of this power shift towards a united industrial union versus an enterprise union, and subsequent down turn in economic conditions there was in 1953, a strike. This strike gives some valuable insight into the turning point of the Japanese automobile industry, also explains the way its union paradigm was cemented by and continued to inform the world view of Japanese company decisions (Dohse, Jürgens, & Malsch 1984).

In 1953 inflation hit the Japanese economy and thousands of workers had to be stood down to keep the automotive industry alive. After a three day strike Toyota ‘encouraged’ staff still employed to return to the enterprise based union by using white collar workers to break the Zenji chapter at Toyota (Cusumano 1985). Re-establishing an enterprise union Toyota offered the incentives that characterise Japanese employment including of lifetime employment guarantee, pay based on seniority, and bonus based on company performance, all of which was offset by the lower than average wages (Gilson & Roe 1999).

As with Toyota, Nissan had concluded that that the new, radical, powerful union arrangement restricting overtime, seeking wage increases and preventing the use of casual labour was impeding its operations, and deemed that the arrangement not at all beneficial to its long term success. It is suggested by Cusumano (1985) that because production levels were high, and excess stock would not be moved fast enough by discounting, Nissan could not continue growth with such union involvement. Based on the decision to oppose the union’s strike action, Nissan managers proceeded to lock out its striking employees. This strike would last five months, although ironically it is commonly known as the ‘100 day strike’. As the Japanese government decided that the potential for harm to the industry was significant, they sought and obtained promises from Isuzu and Toyota that they would not take advantage of Nissan’s situation (Cusumano 1985). Further, the
government provided financial and legal assistance to Nissan, as did the Industrial Bank of Japan (Cusumano 1985).

In the bitter battle ensued, and the strike lasted until employees and their families were literally starving to death without wages to pay for food. Several key union officials were arrested, and employees were offered substantial bonuses to return to Nissan as a part of the new enterprise union. This new union was orchestrated by a ‘study group’ whose members would become very senior executives or directors within the organisation, including Ichiro Shioji who became the head of Nissan’s union. Those who had sympathized with Zenji were demoted, and encouraged to resign, marginalised, or in a small number of cases, disappeared (Cusumano 1985).

Nissan had selected these ambitious ‘company men’ to start their enterprise union and negotiated flexibility instead of financial rewards or increases, life time employment for chosen ones, and some power in terms of those selected for office (Dohse, Jürgens, & Malsch 1984). Thus the nexus of unionism as Australians might have experienced and understood it does not exist at Nissan Japan. The same can be said for Japanese managers coming to Australia.

Significant also to both this strike action and the companies in general is their geographical location, as this impacted both companies and their respective unions’ ability to access information and resources.

Koromo city, subsequently named Toyota City on 1st Jan 1951, is located in the Archi prefecture South East of Nagoya, which is 440km South West of Tokyo. It is bounded by the sea port on the West side and mountain ranges to the North and East, some agricultural lands to the South. To the West is Mikwia Bay, part of the port of Nagoya. Surrounded by mountains and agriculture, Toyota were able to establish quickly a seemingly more compliant workforce as the economic conditions were quite different, and the isolation fostered a higher degree of dependence on Toyota, affording company power as well as encouraging greater inventiveness and initiative. Farmers and others seeking work to survive would work in the Toyota factories to subsidize their incomes (or at the minimum enable their survival) and with little or no alternative employer choice other than Toyota, Toyota enjoyed a much greater control over its workforce. The isolation also meant employees had limited access to information and independent union support.
Since its establishment in the 1930's, Nissan's factories have been located in Yokohama, approximately 30 kilometres South West of Tokyo in the Kanagawa Prefecture. Historically an important industrial location and foreign trading port, Yokohama was linked with Tokyo by rail in 1872 and has consistently been Japan's second largest city. Its relative proximity to Tokyo and population density enabled increased communication between differing factories and union, enabling the union to investigate and provide support to its members. Its population density meant that workers were plentiful, and also had access to a greater range of services and information.

The Japanese preference for ‘single union sites’ is clear, with Toyota attempting to negotiate for a single union site in Australia with their consolidation move to Altona. Before committing to the build at the now Sunderland, UK site, Nissan made it a condition with the British government that it would be a single union site, along with other lucrative financial incentives (Garrahan & Stewart 1992). As this agreement was completed in 1984 there is no evidence that the Australian experience informed this decision, but it may provide some insight into Nissan’s enduring perspective on unions.

1.2.8 The paradigm shift in the union movement in the 1980's

The 1980's were a pivotal point of change for the manufacturing discourse. Up until this time the unions' discourse concerned itself with wages, conditions, and saw themselves a voice of the people, and a unifying agent to protect employees. The worker's requiring protection of the union shifted to include a greater focus on mental safety and training in what might be considered a greater focus on ‘higher order needs’ in Maslow’s hierarchy (Hall & Nougaim 1968). Whist they were still concerned with lower order needs such as pay rates and physical safety of workers, the inflexibility of marking out the dimensions of a workers' role and demanding greater remuneration for change, or outright public criticism of the organisation became less direct and more sophisticated. Lines between the two entities started to blur more, and the relationship between union and company became more complex. The paradigm had shifted economically, politically and intellectually. 1983 marked a change, according to the Australian Council Trade Unions (website):
…a new era for industrial relations and economic management. [the] Cost of living adjustments and a centralized system of wage fixation [were] introduced.

The government had acknowledged that pay rates were increasing faster than the cost of living, and Australia needed to increase its commercial viability to survive long term. That meant eroding the power of the unions to make it more cost effective to employ people to do a variety of tasks people, and more attractive to foreign investment.

The VBEF acknowledged the change also, with a degree of foresight that is illuminating, as part of their 1983 Submission to the Hearing of the Industries Assistance Commission Enquiry into Passenger Vehicle Substitution (7th November 1983) by L.C. Townsend, Federal Secretary:

… If the Australian industry concentrates on producing cars designed and tested overseas with tools and equipment designed and built overseas there is no basis for expecting that the industry in Australia will, in the medium term, be fundamentally different to the motor industry in any low labour cost, less developed country anywhere in the world. And if this is where we are heading it is reasonable to ask why we should have a motor industry at all, as the only difference between ours and a third world country motor industry is in the medium terms would be ours will have much higher unit costs and consequently be significantly non-competitive.

This statement was squarely directed at Nissan, Toyota and Mitsubishi, who imported a majority of their intellectual property as well as their designs, processes and equipment. Ford and GMH conversely had had a history of spending research capital in Australia, engineering and designing in Australia and of course, manufacturing the finished product from parts largely sourced locally having been part of the local content scheme for many years.

Although also acknowledging the need for change in 1983, VBEF L.C. Townsend, Federal Secretary of the VBEF in his Submission to the Hearing of the Industries Assistance Commission Enquiry into Passenger Vehicle Substitution (7th November 1983) stated further that there was a:
… general consensus around the idea of… increased productivity enabling a reduction in protection for the industry.

At the 1984 Federal conference Association of Drafting Supervisory and Technical employees union (ADSTE), the Vehicle Industry report acknowledges the industry was in decline, saying:

If this position is to be reversed, it will be necessary for unions and governments, working together, to intervene in industry and change its direction.

The need for change was acknowledged. The desire for the introduction of Lean Manufacturing was considered the answer to turn around the declining industry by lifting quality and improving inefficient operation to become world class, economically viable and competitive.

1.2.9 The emergence of Lean as a manufacturing methodology

Some researchers argue that the success of the Japanese manufacturing process was their key to superiority of the Japanese manufacturers (Schonberger 1982, Womak, Jones & Roos 1990, Schonberger 2007), whilst others argue that it is the Japanese superior long term management of their human resources (Hatvany & Pucik 1981, Challis, Samson & Lawson 2005).

It was in the late 1970’s when some academic publications began to attempt to make sense of the Japanese manufacturing methodology, effectively opening the floodgates to both understanding and attempted replication/implementation of the ‘new’ techniques (Schonberger 2007). Since then there has been a flurry of activity surrounding the understanding of Lean production, and the elements within (e.g. Womack, Jones & Roos 1990, Young 1992, Sohal, Ramsay & Samson 1994, Clarke & Mia 1993, Schonberger 2007).

Whilst a majority of the research being conducted on the processes and physicality of ‘Lean manufacturing’ or ‘Lean production’ (Spear & Bowen 1999) the value and consequences of treating quality as a part of the manufacturing process versus being a separate department has also received attention (e.g. Mandal & Shah 2002). Additionally, the aspect of employee treatment as a positive method has received attention (Dohse, Jürgens, & Malsch 1984, Golhar & Stamm 1991).
By the mid to late 1980’s the discourse around Japanese production management was defined in three ways, according to Schonberger (2007):

i. As Lean Manufacturing, also called just-in-time or the Toyota Management System;

ii. As an alternative and very detailed commitment to quality being part of production, rather than being a separate department, or Total Quality Management (TQM); and

iii. As unique employee involvement practices.

The term “Lean Production” was coined by John Krafcik (according to Womack et al 1990) and its inception is attributed to Toyota, although all Japanese automotive manufacturers practice Lean (Womak et al 1990).

This concept, as Schonberger (2007) indicated is also at times referred to by researches as ‘Just-in-Time’ (e.g. Hiltrop 1992, Golhar & Stamm 1991, Davey, White, Merritt & Gritzmaccher 1992). Power and Sohal (2000, p 933) define Just in Time as "...a philosophy aimed at minimising costs through the pursuit of continuous improvement, the application of specific manufacturing and purchasing techniques, a commitment to total quality and unlocking the full potential of an organisation’s human resources….. a total solution…”

The Toyota Production System (TPS) is defined as a combination of Just-in-Time and autonomation (automation with a human touch), supported by a holistic mindset of commitment to the company to enact waste reduction (Hino 2006). Taiichi Ohno, the self-proclaimed designer of the TPS described the system as designed to “produce what you need, only as much as you need, when you need” (Ohno 2001 p xii).

According to the literature, ‘Just-in-Time’ or Lean techniques are considered as transferable to any organisation (Schonberger 1982, Chan, Sampson & Sohal 1989), although Challis, Samson & Lawson (2005) report conditional aspects to the successful introduction of such as culture change, and Atkinson (2010) argued that culture, conditions and circumstances must all be aligned towards the implementation of Lean, for it to be successful. Schonberger (1982) disputes outright the necessity for such conditions.

Conversely, Power & Sohal (2000) argue that for an organisation to be focused on the strategies of Just-in-Time they are already a learning organisation and this is fostered by the principles of Just-in-Time. Further, Sohal (1996) argues that the adoption of Just-in-Time is able to give life to ailing manufacturing organisations, resulting in a complete reversal of fortunes and survival of the organisation where it might not have otherwise done so.

Shifting focus from the notion of flexibility, Spear & Bowen (1999) reported that the TPS system was highly standardised, with every task scientifically tested and documented, every person is linked through their defined roles and tasks which have been scientifically tested, retested and prescribed, and thus the flow of the line is preserved. Also highlighting the commitment to continuous improvement, Spear & Bowen (1999) report that Toyota even teach their employees how to think about problem solving and how to problem solve scientifically to bring improvements. Indeed it is reported that Toyota’s capacity for creating a culture that fosters information transfer and learning that enables its continued growth (Ichijo & Kohlbacher 2008). The introduction of ‘lean’ methodologies has been the subject of some scrutiny in Australia by a small number of academics (e.g. Chan, Sampson & Sohal 1989, Clarke & Mia 1993, Sohal 1996, Power & Sohal 1999).

Sohal (1996) highlights that the implementation of Lean production requires significant and dramatic re-thinking of the entire production process, from product design and logistics to manufacturing processes and organisational culture. He reports in Australia whilst there has been evidence of many companies implementing ‘Lean’ successfully, there is also evidence of some improvement initiatives not being implemented successfully and simply fading away. It should be noted that the company studied by Sohal (1996), Trico, is an automotive parts manufacturer who was directly affected by the tariff reduction program as part of the Button plan. As Trico found itself in direct competition with Japanese companies,
the company acknowledged that it needed to change or it would not survive. Sohal (1996) reports in this study that as a result of introducing lean there was a 30-40 per cent increase in production volume, with worker engagement maintained, offering as evidence that of the 131 changes, 86 were initiated by shop floor. Reporting that most of the changes were in production initially, the actual overall structure of the organisation was not addressed until some years after the lean techniques were embedded, and these second round changes were where the company met with resistance. He also points out in a company survey conducted five years after the initial program began, and before the commencement of the second round, that staff reported that they were “generally satisfied with employment at Trico” (p. 96), although it was suggested that this was attributed to the working arrangements (nine hours per day, four days per week). He also reports Management was seen as being ‘very positive and trying for improvements” (p 96) with the level of cooperation within the production area perceived as high, enabling the effective handling of day to day issues and problems. Sohal (1996) reports initial receptivity to the changes was high, and committed to by each employee, allowing the changes to occur. The second round of restructuring did not meet expectations as quickly, as they moved to flatten management structure and move to a team based structure in production (Sohal 1996). Education as the key to gaining understanding in people, and consulting in long term goals set so they are accepted into the organisational culture by everyone is reported as essential for change (Sohal 1996).

Hence, if, as a tenet of Lean, the type of employee engagement is an essential, then change would need to occur to alter from compliance driven Taylorist production paradigm to the Lean paradigm. Returning to the research question then: what happens when organisational change is instigated by the introduction of Lean Manufacturing Methodology by a Japanese parent into two already operating Australian automotive assembling companies operating in a changing environment?

Specifically, does the culture change occur? Additionally, how does a work force come to embrace Lean as the answer to the woes of the Australian Automotive Manufacturing situation? Ultimately, the organisational culture and assumptions will require change.
1.3 Organisational culture

The literature provides a plethora of definitions of organisational culture (culture), and how it can be conceptualised. Hofstede (2001 p. 39) defines culture as: ‘The collective programming of the mind that distinguishes the members of one organisation from another’.

Adding an alternate perspective, research from Schein (1993, 1996) asserts to the depth of culture and posits that it exists in organisations at three levels (basic assumptions and beliefs, values ideology and artefacts and rituals). According to Martin and Shiel (1983) there is an additional fourth level which is management practices. Culture is defined by Schein (p 3, 1984) as: “The pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaption and internal integration, and that have worked well enough to be considered valid, and, therefore to be taught to new members as the correct way to perceive, think and feel in relation to those problems.”

Hofstede, Neuijen, Ohayv & Sanders (1990) argue culture stems from practices rooted in values that cut across ritual, hero and symbol. Hofstede & Bond (1988) in their discussion on culture refer to the all-pervading nature of how the culture of the organisation reflects country of origin, pervading every aspect of life, including how management is enacted, summing up by stating “Culture's grip on us is complete.” (p 19).

Tayeb (2001 p 92) however cautions researchers that

Culture is a woolly concept, almost impossible to observe and ‘measure’ all its visible and hidden corners; like the air that we breathe, we cannot see or weigh it, we cannot put our arms around it and feel its strength and power, but we know it is there.

It seems that whilst some researchers agree that national culture does have an impact when it comes to transferring knowledge or procedures (Hope 2004, Bond, 2002, Hofstede & Bond 1988, Hofstede 1994, Hofstede 1989), others disagree (Schonberger 1982).

Hofstede and Bond (1988) reports that Japan and Australia rank divergently on four of the five factors they identified, which were:
• Power-Distance - which indicates the level to which the subordinates or followers accept that power is distributed with inequity;
• Individualism versus collectivism - where individuals might seek to place their own needs ahead of the needs of a group, versus where an individual might identify as part of a strong and cohesive group.
• Masculinity versus femininity – assertive and competitive versus being nurturing.
• Uncertainty Avoidance – to what extent are rules (written and unwritten) to avoid “unstructured situations”, or to what extent is there believed to be an absolute truth.
• Confucian dynamism – where what is favoured is persistence, ordering of relationships based on status, thrift and having a sense of shame. Tradition, reciprocation, individual steadiness and self-protection are of relatively little importance.

On each of these scales, Japan ranked higher than Australia on the power-distance (meaning Australians are less accepting if inequitable distribution), masculinity and uncertainty avoidance scales, which according to Hofstede and Bond (1988) indicated that the Japanese culture is autocratic, competitive, highly structured and rule orientated society. Further according to Hofstede and Bond (1988) as Australia is fairly masculine and very individualistic, although as the nation is at the mid-way power distance and weak on uncertainty avoidance, this indicates a nation that prefers democratic, less formal structures with some acceptance of opinions that differ from the norm, and a significant value placed on individual viewpoints.

Where there was the most disparity was on the Confucian dynamism, indicating that the societal virtue is conceived entirely differently. Australia is analytic, with ‘one truth’ to be found, whereas Japan is more concerned with the practice of virtue without concern for the truth. ‘Human truth is seen as partial, so one truth does not exclude its opposite.’ (Hofstede & Bond 1988 p 20).

Indeed ‘Eastern’ versus ‘Western’ culture has earned its share of attention (e.g. Bond, 2002, Hofstede & Bond 1988, Hofstede 1994, Hofstede 1989, Zhong, Magee, Madduz & Galinsky 2006), and whilst Hofstede (1994) argues countries can be grouped into regions, it is further asserted by some researchers that national culture is essentially homogeneous and enduring (Minkov & Hofstede 2012). However this theory is challenged in Australia’s case where immigration is high and as a result,
the nation is less homogeneous than countries with lower immigration such as Japan (Chan, Sampson & Sohal 1989). Notwithstanding more country specific generalisations, Australia considers itself to be a ‘western’ country from its historical links to the UK and Europe, and Japan is often referred to as an ‘eastern’ country by researches (Bond, 2002, Hofstede & Bond 1988, Hofstede 1994, Hofstede 1989, Zhong, Magee, Madduz & Galinsky 2006).

Zhong, Magee, Madduz and Galinsky (2006) argue that power is conceptualised differently between the eastern and western cultures, with the eastern cultures being more interdependent, maintaining goals that are directed towards managing relationships and maintaining harmony, where responsibility to a group is at the centre of interconnectedness, hence the eastern conceptualisation of ‘power’ is one of restraint. Western individuals Zhong et al. (2006) argue, tend to focus on individual reward and individual success, and power is conceptualised as assertive action to fulfil an individual’s goals. Further, Zhong et al. 2006 argue that the Japanese have lower self-esteem than the those in the west such as the United States of America as a result of their perception of the lack of seeing themselves as a ‘self’ as opposed to one of a group, demonstrating stark self-criticism in contrast to the self-promoting tendencies noted amongst western individuals. The residents of eastern culture tend to show greater conformity to situational norms, to allow others to decide for them, with a bias towards relationships.

Taking this idea a step further, Chow, Kato and Shields (1994) assert that the Japanese control system is information based, versus the American/Anglo control system which is role based. Further, they explain that as the fit between the selection of organisational control systems and national culture will determine not only the behaviour of employees but the ability to attract employees and the types of employees that are attracted to that organisation. Shane (1994) explains that national cultures do impact beliefs and particularly what trust is offered and how it is demonstrated; indeed he argues that cultural differences in perceptions lead to transactional costs that can undermine business outcomes. Further he states, that different managers make different strategic decisions based on values which are culture specific.

The Japanese workforce is often characterised by researchers as collective, longstanding, ‘job for life’, homogeneous, long term focused, committed (Schonberger 1982, Gilson & Roe 1999). Based on this it could be assumed both
organisations would follow the similar patterns of management choices and employee responses, however this is not the case with Nissan and Toyota, who are as different as any other two organisations the world over (Cusumano 1985). Further, Tayeb (2001) argues that Japanese are not collective, arguing instead that it is the individualistic roles played by strong personalities that have resulted in the formation of Japanese traditions. Also, she asserts that there is a distinct difference in types of collectivism, offering the example of Hong Kong family based collectivism versus Japan’s work based collectivism. Finally, she also points out that age, education, occupation and life experience will influence values, attitudes, behaviours and beliefs, irrespective of national culture.

Indeed the consuming nature of the Toyota culture has been documented (Spear 2004) and, it might be referred to as a ‘strongly fixed’ culture. However applying this to theory Toyota is erroneous as the physical speed of customisation is faster than that of their competitors (Timino, Park, Hong & Roh 2008).

Contrary to Hofstede’s research, Tayeb (2001) argues that "..by putting culture into neat, sometimes unconnected little boxes we are in danger of losing sight of the big picture." (p 93). Further, in direct contradiction to Hofstede’s work Tayeb (2001) states: “…national culture is a complex construct and we simplify them at our own peril.”

Chow, Kato & Shields (1994) suggest that the fit between an organisation’s management style and the host country’s culture can impact an organisation’s ability to gain the outcomes it seeks. Hope (2003) explains that national culture creates a barrier to the transfer of organisational culture. It is also argued by Reginato & Guerreiro (2013) that the immediate external operating environment has a significant impact on the organisational culture, which in turn influences strongly what management controls are utilised and how they are employed.

Organisational culture is pervading and will determine employee commitment to the organisation as it significant impact on employee satisfaction, motivation, stability, absenteeism and turnover in Australian manufacturing environments (Su, Baird & Blair 2009).

Minor references are made about how geography affects the Australian culture by West & Murphy (2007), who also go on to describe the Australian workplace culture as having traditionally looked to ‘protect’ itself from Asia, feeding the distrust of
Asian companies as employers. Considering Hofstede and Bond’s (1988) argument regarding the idea of absolute truth in Australia, then the acceptance of one culture (for example European) leads to rejection of others. Hence the fear of Asian migration was ignited by the Chinese settlers in the gold rush (due to concern about the impact on economic policy that cheap indentured labour which was imported into Queensland might have) although the ‘primitive fears of Asian migration’ had started to dissipate in the 1960’s the fear and distrust is still in existence (Horne 1988).

The Australian culture is externally focused, with 25 per cent of the population born elsewhere and a further 27 per cent having one parent born outside Australia, hence Australians traditionally tend to look to other countries as ‘spiritual’ homeland, thus devaluing Australian goods and how they see their workplace culture (West & Murphy 2007).

As Australians are more expressive, this has the potential to be perceived as a loss of control by cultures such as the Japanese who consider self-control essential to avoid upset in another party that could needlessly affecting harmony (Hofstede & Bond 1988). In Australia, equality is honoured, it is an egalitarian and informal culture that looks negatively on anyone ‘showing off’ and finds formality stifling. Hierarchy and superiority through age are elements which are not valued, and often employees from Asian countries note the absence of recognition of hierarchy (West & Murphy 2007).

In the industrial sector employees tend not to stay back at work unless paid, as compared with the Japanese workers who will stay late into the night finishing things that could be done tomorrow. Typical of western countries, Australia tend to follow a linear rather than circular communication style, favouring the direct versus the indirect, feelings are expressed alongside logical reasoning, but this can also appear as a loss of control to cultures who favour harmony and self-control, such as the Japanese.

Other factors that impact organisational culture include such items as team structure and physical location, as these things will serve to foster sub cultures which have the potential to subvert or support organisational goals (Naor, Goldstein, Linderman & Schroeder 2008). Although sub cultures can act as counter cultures, this is not automatically the case, and according to Martin & Shiel (1983), the
overarching or dominant culture remains visible and measurable, whilst also accommodating the existence of the sub cultures that exist.

When the environment is stable a strong business culture will offer a higher rational business performance, however it is suggested that this strength ultimately reduces the adaptive rate to environmental factors (Ramlall 2008, Sorensen 2002) even though corporate culture itself is both self-sustaining and adaptive (Senge 1990). Hence the collective culture of the organisation is capable of exchanging information with its environment and adapting, the extent of which will directly impact its business results (Kwan and Walker 2004). Indeed, practices and interactions that yield rewards are likely to become regular procedures, and those that receive punishments likely to alter or disappear as individuals learn what behaviours earn favour (Visser 2007). It is the collective of these experiences and assumptions that will reflect an organisation’s culture (Marcoulides & Heck 1993). The obvious downside is highlighted by Prahalad (2004), in that a more robust culture with unchecked assumptions may hinder its ability to adapt and change.

The ‘Toyota Way’ and Nissan’s method of operation are reflective of the beliefs, attitudes, assumptions, rituals and artefacts in each organisation, perhaps described best as ‘the way things are done’ and operate as a reflection of the ‘Dominant Logic’ of the respective organisations. Dominant Logic is defined as the organisational response to how it conceptualises problems and makes decisions or it organisational schemas (Prahalad and Bettis 1996). Dominant logic is created and defined by the most senior strategists of the organisation, and with schemas built on the experiences of the individuals, the current paradigm of thinking, pattern recognition and cognitive bias and encourages norms and conformity to organisational ‘rules’, and essentially defines company culture (Prahalad and Bettis 1996).

A whirlpool cannot exist without water, just as organisational culture cannot exist without organisation, and organisation cannot exist without its operating environment (Morgan 2006). Although organisation by its nature strives to define itself, thus creating boundaries in the process of creating its own culture and identity, organisation, as whirlpools, does not exist in a vacuum (Morgan 2006). Organisation is impacted by its environment, and impacts its environment (Dirsmith & Covaleski 1983) and in this context the following literature review pays specific
attention the literature with regard to organisational culture in manufacturing, followed by a review of the operating environment.

As the phenomenon to be investigated is organisational culture in the automobile manufacturing industry, it is important to note that this industry is overlayed by the impact of unprecedented change brought about by global economic pressures, natural disasters, changing government and legislative policy and the changing nature of technology and information availability, resulting in business truly becoming a global entity (Schonberger 1982, Hofstede 1994, Tayeb 2001).

For an organisation to run efficiently and effectively, Reginato & Guerreiro (2013) demonstrated the link between effective company operations, company culture and its operating environment, which is to say, the organisational culture must appropriately read and change in response to the external operating environment. The external driving forces of the operating environment - the social, political, economic, legislative and technical drivers are factors to be taken into account. The following part of this literature review will focus on an examination of the external environment.

1.3.1 The context – defining the operating environment in Australia in terms of its impact on organisational culture

The operating environment has a significant impact on organisational values and enabling change, as it impacts the behaviour of the individuals within, indeed it is impossible to study an organisation without consideration for both external and internal operating environments (Bettis & Prahalad 1995). The analysis below gives insight into the operating environment and its changed nature from what it had been in the 1960’s, when the decision to consider Australia as a potential site for manufacturing was made, to globalisation and its impact on Australia when substantial change was brought about in the 1980’s and 1990’s, through to the 2000’s and 2010’s. This occurred during an overt changing tide of political sentiment and globalization.

The paradigm at the time of the 1980’s and beyond was of an industry which was more of a political football, to be used as a tool to demonstrate the government was governing. The ingrained belief system was that politically it was not an industry that a party (Government or Opposition) wanted association with as it was state
centric and not national (South Australia and Victoria) and not ‘traditionally Australian’ like farming or mining.

The sentiment in government (both at the time of the early 1980’s and successive arrangements) was that neither of the major parties wanted to be considered as responsible for the death of the industry. Conversely it was the accepted assumption that the industry was an unreasonable expense, therefore industry must change to become more efficient. Successive governments did not want to be seen to be responsible for either supporting the industry or letting it die. It was assumed that with greater efficiency, a reduced number of jobs would be available, which was a reasonable compromise. In 1984, Senator Hugh McBride pointed out for Australia to reach parity with Japan, they would need a 32 per cent increase in efficiency, or a reduction in 16,000 workers with the same output, in his ‘Employment Outlook for Australian Passenger Motor Industry Production report’ from 6th July 1984.

There is also a residual degree of resentment in factions of the government, as the decision to bring the industry to Australia meant that it required significant levels of protection which were not afforded to other industries. This lack of ‘fairness’ led to resentment by other industries, the degree of which was ably assisted by the mining industry.

Also important to acknowledge is the cognitive bias in Australia regarding manufacturing work of any kind, whether skilled, semi-skilled or unskilled positions, manufacturing has always been considered very low on the totem pole of work types, more than likely by nature of the dirty and repetitive work, so societal assumptions around those who work in the manufacturing environment are often associated with the lower socio-economic status, lower value work.

A complete PESTLE analysis is available in Appendix 1, where Table 1 describes the operating environment in the 1970’s & 1980’s through to the early 1990’s.
1.4 Structure of thesis

This thesis is divided into seven chapters, and follows the structure consistent with that of a classical grounded theory thesis. The first three chapters are dedicated to explaining the significance of the thesis and defining the wider substantive area studied. Aside from explaining the purpose and significance of the research, Chapter 1 defines the nature and context in Australia in which Toyota and Nissan sought to introduce Lean, followed by the explanation of the grounded theory methodology in Chapter 2. A demonstration of the dominant logic which differed in each of the two organisations is offered in Chapters 3 & 4 respectively.

The findings which emerged from this study into the organisational change via the introduction of Lean are contained in Chapter 5. The relevant literature review and where these findings are orientated with regards to academic literature is explained in chapter 6. Concluding remarks and limitations are covered in Chapter 7.

More specifically, the structure is as follows:

**Chapter 1 - Purpose, Significance and Context**

Chapter one provides the purpose and significance and context of the substantive area addressed for research by this thesis, as well as an introduction to the automotive industry in Australia and the operating environment in which it functioned. Detailed within is a brief history of the industry, followed by the characterisation of the workforce and union movement as a significant part of Australian workforce history, contrasting this with the union movement in Japan. Finally a review of the literature of the studies on Lean manufacturing in Australia and organisational culture is also provided. The purpose of this chapter is to provide context for the findings to come in chapters 3, 4 and 5. As explained in depth in chapter 2, as this thesis utilises a grounded theory methodology, the literature review is detailed in chapter 6.

**Chapter 2 – Methodology of this research**

Defined here are the philosophy, approach and strategy of the research undertaken, with a detailed explanation of the strategy section of Grounded Theory and Case Study for this thesis. The methodology of Classical Grounded Theory is explained, additionally an audit trail which includes some sample codes, and a personal reflection on Grounded Theory. It ends with a list of Interviewees, and sites visited.
Chapter 3 – Toyota Australia
This descriptive chapter is focused on the case of Toyota Australia. It explains Toyota’s Australian history, providing relevant details regarding Australian Manufacturing Industries (AMI) and AMI Toyota, the companies it was before it became Toyota Motor Company Australia (TMCA). This chapter also provides details and context regarding the nature of the organisation which was characterised by masculinity, competition and resistance by the competing discourses within, defining how main discourses interacted and impacted the outcomes.

Chapter 4 – Nissan Australia
Nissan’s manufacturing in Australia is the area of attention in this chapter. It details briefly the history of Nissan Australia (manufacturing), including Motor Producers Australia, the ‘pre-Nissan’ company. The chapter also explains the interaction of the main discourses, their engineering focus and the lack of recognition afforded to Australian engineers, as well as the impeding organisational structure which operated until manufacturing ceased in 1992.

Chapter 5 – Findings: the exposition of the Grounded Theory Model
Chapter 5 details the findings of this thesis; including an explanation of the conceptual model Legitimising Resistance. Specifically, this chapter discusses definitions of key terms, explains the lens which limits what information or signals discourses can assimilate. Contained within also is an examination of the main and dominant discourses. The main concern of the participants is recognition, centred around what actions/symbols and who is recognised, hence the core category of recognition is discussed at length. Resolving of this main concern of the participants is the process Legitimising Resistance, hence this processural model is explained in detail including how the discourses go about responding to recognition and reward, recognition and punishment, and non-recognition and the consequences of each.

Chapter 6 – Recognition: contribution to literature
This chapter forms the literature review of the core category being recognition. It details the major authors in the political science field of recognition and gives a brief summary of their respective theories. It explains where the model of legitimising resistance sits relative to that body of knowledge in terms of new information and new conceptualisation. In this chapter identity and organisational theory
(specifically the attractor theory) are also discussed. Finally the contribution to Lean implementation research is also discussed.

Chapter 7 – Conclusion
In the conclusion, the implications and significance of the thesis are discussed with regard to Toyota, Nissan and the external operating environment. The reason for the cessation of the automotive manufacturing industry in Australia is covered as well as the contribution to knowledge made by this thesis. An evaluation of Grounded Theory is conducted with concluding remarks pertaining to the study with regards to limitations and directions for future research.

This chapter outlined the purpose of the thesis and the reasons why it is significant research. It also describes the history of the Australian automotive manufacturing industry, demonstrating the radical and fast moving changes that it has undergone since its inception. A significant part of manufacturing in Australia is the union paradigm hence the existence of the differing logics which operate in the union paradigms in Australia and Japan are compared. A discussion on Lean, organisational culture and bringing these elements together to understand how they exist in Australia is rounded out by defining the culture of the Australian work environment. Chapter 1 was dedicated to defining the context in which Lean was introduced in Australia.

The following chapter explains the rationalisation for the methodology used, being case study and grounded theory, the details and intricacies of the particular methodology as well as the audit trail demonstrating the process of investigative research as the methodology requires.
Chapter 2: Methodology of this research

Methodology is defined by Saunders, Lewis and Thornhill (2009 p 595) as ‘The theory of how research should be undertaken, including theoretical and philosophical assumptions upon which research is based and the implications of these for the method or methods adopted.’

The following outlines the different options available and the choices, assumptions and decisions made about this research method and the treatment of the data within. Also included is the audit trail, list of interviewees and sites visited.

2.1 Philosophy

Research philosophy concerns the development of knowledge, and as research seeks to develop new knowledge the philosophy of research must be declared. Philosophy occurs on a continuum, with positivist at one end, through realist, to interpretivism then to pragmatism. It is essential that it is seen as a continuum, rather than a discrete choice as all methods contain elements of more than a single philosophy (Saunders, Lewis and Thornhill 2009).

Positivist research seeks to declare substantive hypothesis and then test such; creating law like generalisations such as the scientific experiment envisages. An example might be a chemical experiment in a laboratory. The Realist takes the position that what exists, will continue to exist independently of thought of the individuals that exist around it, though things may be socially interpreted. The Interpretist sees the world as a collection of social actors, where the researcher must attempt to understand the world empathetically, from the perspective of the individual. This philosophy tends to be more popular amongst organisational and social interaction, or from a business perspective (e.g. marketing and consumer behaviour). Finally pragmatism adopts the perspective that the researcher is both objective and subjective, and that a single view does not need to be adopted. Viewpoints can be selected based on the most appropriate method of answering the question.

2.2 Approach

Based on the philosophy selected, the approach to research will again fall onto a continuum, this time from deductive (where a theory is defined and then tested, and
supported or disproved by data); to inductive, where data is collected then a theory is built from the patterns within. As philosophy will inform where on the continuum research will fall, positivist and realist philosophies are located more towards the deductive end of the spectrum and interpretivist and pragmatist are closer to the inductive end.

The approach will determine if the research will be qualitative or quantitative in nature also, as quantitative research leads to hypothesis testing (deductive), qualitative leads to hypothesis generation (inductive).

Qualitative research is defined by Auerbach & Silverstein (2003 p 3) as being:

..research that involves analysing and interpreting texts and interviews in order to discover meaningful patterns descriptive of a particular phenomenon.

Quantitative investigation on the other hand is defined by Auerbach & Silverstein (2003 p 5) as research that:

Investigates a phenomenon in terms of relationship between and independent and dependant variable, both of which are measurable numerically…. The aim of the research is to test whether the hypothesised relationship is actually true, using statistical methods.

2.3 Strategy

Once philosophy has been determined and approach narrowed, strategy for research must be selected. According to Saunders, Lewis and Thornhill (2009) and Burnett (2009), the choices for social sciences are experimental, survey, narrative, case study, action research, grounded theory, ethnography, archival, theoretical explorations and comparative studies.

2.4 The selection of strategy for this thesis

Positivist research for an investigation into the complexities of organisational culture relies on a well-trodden path of research leading to a hypothesis being designed tested & (potentially) supported to establish a conceptual model which requires further testing. There is some literature about the introduction of Lean manufacturing to the automotive manufacturing industry in Australia, however the literature is bent sympathetically towards the idea that Lean manufacturing is the
answer to efficiency, and the most effective manufacturing practice. Developed in Japan, and popularised by Toyota (Womak et al 1990), the installation of Lean was to have been made at both Nissan and Toyota, although the extent of installation seems to be unresolved. The question remains as to if the appropriate changes actually have been made in the Australian work environment, and why that is the case has not been subject to intense investigation. Based on the premise that positivist requires a reasonable basis of study in the targeted area having already occurred, and the assertion that social investigation is best suited by interpretist study, this investigation would be best suited to being inductive and therefore qualitative.

“Interpretive researchers seek to uncover what meaning a specific phenomenon has for the associated actors.” (von Alberti-Alhtaybat & Al-Htaybat 2009 p 209) and hence this study seeks to understand the dynamisms involved when the parent organisation takeover an existing organisation and implement their own system, in the form of Lean. How was Lean implemented and why did that method of implementation work, or not? These are the general areas where the research aimed to understand.

The decision to make this research a Case Study investigation, using Classical Grounded Theory was based on several factors, as detailed below:

Case study was selected because it is best suited when the main research questions are ‘how’ or ‘why’, also when the study is contemporary and the researcher is not involved in behavioural events (Yin 2014). It is acknowledged that though it lends itself to the deductive it can be either deductive or inductive, and is defined by Robson (2002, p 178), as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence.” It yields a rich understanding of processes being enacted, and is suitable when the boundaries between subject and context are not clearly defined. It allows for both qualitative and quantitative data, and also has the flexibility to accommodate a range of data from multiple sources. It relies on the researcher triangulating data, thus ensuring that data is not excluded and potential themes can be tested.
Classical Grounded Theory was selected because it is more time efficient than an ethnographic study, offers a more appropriate answer to the how and why questions than case study alone (particularly as the research question is 'how'). Further it offers a superior access to data than other qualitative methods such as straightforward observation alone (Jones 2009). Finally, Grounded Theory terms all information is data (Glaser 1992), so it allows the inclusion of interview data, as well as pictures, observations made, artefacts, displays, symbols and rituals, some of which might be potentially excluded under the narrative investigation. Doing grounded theory with case study also answers the call to expand horizons beyond mainstream, particularly in cultural and political complexities (Marschan-Piekkari & Welch 2011).

Although case study’s ability to establish causal explanation depends on philosophy of researcher (Marschan-Piekkari & Welch 2011), the basic aim of grounded theory is to establish a theory, so a case study with grounded theory strategy allows for greater reliability. The advantage of undertaking a case study with more than a single case is breadth, comparison (a central tenet to grounded theory), and external validity. A multiple case case-study is more likely to generate theory that is generalizable, and seeks to utilize more synergies of the respective cases. Although multiple case studies tend to be more resource intensive than single case studies, two companies is not an unreasonable expectation. Although Marschan-Piekkari & Welch 2011 state that case study tends to be more geared towards positivist, survey methodology, however they do extend the call to expand horizons of cultural complexity, which this study aims to do.

Although Gilbert, Ruigrok, and Wicki (2008) caution the use of case study in establishing new management theory, the use of grounded theory methodology negates this risk. Johnson, Onwuegbuzie and Turner (2007) also acknowledge that whilst traditionally mixed methods as a methodology is conceptualised as qualitative and quantitative, it can indeed be the utilisation of two or more differing methods to aid in the understanding of human behaviour, as is the case here.

2.5 Defining Classical Grounded Theory

There seems to be many different understandings and definitions of grounded theory, although according to Glaser (2003), there is only one methodology that is the true ‘Grounded Theory’. Defined in 1967 by Glaser and Strauss, the methodology was first offered as a valid and reliable sociological research
methodology, designed to challenge the traditional paradigm of hypothesis driven, positivist methodologies that were represented, offering an inductive alternative that allowed for a range of data types.

Most notably the public disagreement between Glaser and Strauss resulted in the splintering into two camps, the resultant being two ‘types’ of Grounded Theory, that defined originally by Glaser & Strauss and progressed by Glaser as ‘Classic Grounded Theory’ and the alternative defined by Strauss and Corbin (Strauss and Corbin 1990).

As the process for each of the grounded theory methodology’s is quite different, with Strauss & Corbin encouraging dimensionalisation of categories in the initial stage of the coding process, whereas Glaser argues the dimensions should emerge later in the process. Strauss and Corbin offer specific analytic tools, Glaser argues this is ‘forcing’ the data (Glaser 1992).

In their comparison of the Glaser versus Strauss & Corbin grounded theory methodologies, Walker & Myrick (2006) state “…it is not the differences that matter so much as the understanding of these differences and the making of informed and knowledgeable choices about what one will do in their research.” (p 588). It was with this in mind that this researcher selected classical Grounded Theory.

Essentially according to Glaser (1978 p 93) the aim of Grounded Theory is to:

…generate a theory that accounts for a pattern of behaviour which is relevant and problematic for those involved.

Further according to Glaser (2003 p 61).

Grounded theory is best practiced by the beginning PhD researcher, as they are still open to “whatever” and more likely to see fresh new patterns in the face of experienced forcing of professional interest patterns.

A further advantage of grounded theory in this instance is its capacity to manage a range of data types (Glaser & Strauss, 2010).

According to Jones & Noble 2007, p 4

…the concept of emergence is a central tenet in a grounded theory.
Therefore the process of grounded theory research is wholly dependent on conceptual emergence (Glaser, 2003, 1998, 1992, 1978). Grounded theory is inductive, theory building research. Theory must emerge from the data, by a process of coding, memoing and conceptualising without being forced, preconceived or predefined.

To underline this point, Glaser (1992) declares that bias and preconceived ideas are the very embodiment of undermining grounded theory, rendering it corrupt. Glaser (1992 p 15) states:

One does not begin with preconceived ideas or extant theory then force them on the data for the purpose of verifying them or rearranging them into a corrected grounded theory... It is not a sophisticated verificational process, honouring some extant theory that does not work of is not relevant in the first place.

Further, Glaser (1992 p 31) prescriptively states:

We are all used to the normal, extensive literature review to ascertain gaps to fill in, hypothesis to test, and ideas to contribute to, in descriptive and verificational studies. In contrast the dictum in grounded theory research is: There is a need not to review any of the literate in the substantive area under study.

Therefore no initial literature review should be conducted and the literature review relevant to the substantive area will instead be completed once a model has emerged from the data.

With emergence at the centre of the investigation and a firm understanding that what is being sought is not the truth, but an understanding of how people are responding to that core concern (Glaser 2001), instruments, discussion guidelines and coding frames surfaced as the study progressed. As coding is based on emergent themes these concepts conversely fed further question design spiral (Wasserman Clair & Wilson, 2009). This was triangulated with company documentation, information such as has been collected at the Australian National University archives, newspaper and journal articles and non-participant observation.

In terms of method of sampling for grounded theory, the process of theoretical sampling needs to be undertaken (as demonstrated below) consistent with classical
grounded theory process (Breckenridge & Jones 2009, Breckenridge, Jones, Elliot & Nicol, 2009). This means that the data gathered, informs the individuals or information area to be targeted in an emerging way. Interview questions and types of data sought will change through the process of investigation and is defined in an ongoing basis by the data collected and the emerging codes, memos and themes (Glaser 1978).

In this particular study relationships had been established between Professor Jones and Toyota Altona, Professor Jones had already negotiated access to this location. Relationships were established with several former Nissan employees by the researcher, and with both organisations the method of theoretical sampling meant that one person would lead to another, based on the themes that emerge from the interviews and data collected as explained above.

The method of data analysis is determined by grounded theory. Data is coded, conceptualised and memos written (as discussed in the Audit Trail detailed below) however as with theoretical sampling this is not a discrete, linear process. The research methodology is a continued process until saturation is reached, that is where no new data becomes known (Holton 2010, Holton, Thulesius, Petersson, & Fridlund 2010).

Hence the initial chapters of this thesis are presented by way of reviewing the broad topic areas under study, in this case Toyota, Nissan, Lean and the cross cultural management of Lean.

In a grounded theory thesis the literature review comes after the basic social process has been discovered, in this case the basic social process is recognition (see Chapter 5 for a full discussion on recognition). Accordingly a literature review of recognition occurs after the model has been expounded which is in this case Chapter 6.

2.5.1 Coding
The conceptual code is defined by Glaser (1978, p 55) as the essential relationship between data and theory.

In classic grounded theory terms coding is defined into two procedures: Substantive and Theoretical. Both are to be addressed simultaneously, however relatively more focus will exist on the substance coding when discovering the codes. Once the
core category is established this delimits the study, hence more time is then spent with theoretical coding. It is essential to understand however all types of coding and memoing occur concurrently, so constant comparison of codes and incidents is occurring whilst asking: what is this data the study of?

2.5.1.1 Substantive coding
Substantive coding can be broken down into two sub-parts, open coding and selective coding. Open coding is where a piece of data, (for example and interview) is coded. Glaser recommends in the early stages line by line coding, noting in the margin the codes as they arise. Open coding asks questions like ‘what is the data a study of?’ and ‘what is the main concern of the participant?’ (Glaser 1978, p 57). There are no boundaries and the researcher must suspend any preconceived ideas. Open coding continues until the main concern of the participants is identified. This then delimits the area of study, and the researcher moves to selective coding.

In this study, the basic concern of the participants was:

How to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth.

Selective coding then seeks to produce categories and their properties. Constant comparison occurs, incident to incident, incident to category, category to category, and the coding process progresses. Coding is also designed to fracture the data, so that description gives way to concept in theoretical coding.

2.5.1.2 Memo writing (memoing)
Memos are written as ideas and themes emerge from code sets. ‘Memoing’ is when groups of codes are brought together in a theme, it is according to Glaser 2003, p 67:

...what is produced explains the action, that is, how people work to resolve the basic social problem.

In this study, memos emerged to revolve around recognition and the legitimising of resistance.

2.5.1.3 Theoretical sampling
The process for sampling in this study was theoretical sampling. Theoretical sampling is defined by Glaser (1978 p 36) as
...the process of data collection for generating theory whereby the analyst jointly collects, codes, and analyses his data and decides what data to collect next and where to find them in order to develop his theory as it is emerges. The process of data collection is controlled the emerging theory..

Once patterns have begun to emerge, the direction of these patterns defines the direction of further investigation. This process is detailed in the Audit trail, as emerging themes informs who might be interviewed following specific collection efforts and what specific questions in interviews need to be asked in subsequent interviews.

2.5.1.4 Theoretical coding
Theoretical coding then seeks to weave the substantive code together to formulate a hypothesis, it is designed to weave the fractured codes back together in a meaningful, conceptual theory. It is here where the literal is lifted to the conceptual level, and Glaser (1978) cautions against what he terms coming up with a ‘mere description’ of the events. Memos are written as ideas emerge from code sets. Theoretical codes fall into overlapping groups, for example they might be a dimension, a type, a process or a degree. There 18 theoretical code families according to Glaser (1978), though he encourages the conceptualisation of more.

For an example of theoretical coding consider the following:

An open code set might include codes such as defending identity, proving identity, asserting self, defining the ‘us’ and the ‘other’, grouping identity, associating identity.

Substantive code from this might be: asserting collective identity.

Theoretical code arising in light of this together with other substantive codes might be: orientating discourse.

The coding family here would be Process, Strategy or Cultural, but it is potentially not limited to these families.

2.5.2 Core category
Grounded Theory seeks to understand the elements involved in solving of the main concern of the participants in the study. This process of resolving is designated by a single core category (Glaser 2001), and this core category must emerge from the codes in the data. At some point the patterns in the data become clear, and a core
category is selected. A core category organises and explains the majority of variation in how the main concern is being resolved on a continuous basis.

As Grounded Theory seeks to suspend all preconceived ideas it does not prescribe when the core category will emerge, just that the researcher must trust in the data, and if properly coded the core category emerges (Glaser 2011). According to Glaser (2011, p 10)

So much goes on all at once as it sequences, no preconceived plan fits.

Having said this however, a core category is likely to adhere to the following criteria (Glaser 1978).

It must be central, it must reoccur frequently, it takes more time to saturate (because it relates to more core categories), its connections to other categories are easily made, its explanatory power is significant, it is variable with conditions, it reflects a dimension of the problem, and it eliminates other cores.

Once the core category is established, discovering the Basic Social Process should emerge easily (Glaser 1978).

2.4.3 Basic Social Process

A Basic Social Process (BSP) is one type of core category. It is processural, hence it is constructed of stages. It is also pervasive, so it is reflected through any units of organisation, independent of the organisational structure. The BSP is an unavoidable process, enduring over time an irrespective of organisational structure (Glaser & Holton 2005).

The basic social process (BSP) are defined by Glaser (1978 p 100) as

... theoretical reflections and summarizations of the patterned, systematic uniformity flows of social life which people go through, and which are conceptually captured and further understood through the construction of BSP theories.

All BSP’s are core categories, but not all core categories are BSP’s. They are processural, that is they have two or more stages which are distinct and “account for variations in the problematic pattern of behaviour.” (Glaser 1978, p 97).
Essentially, BSP’s are how actors deal with the problematic matter they find themselves confronted with. In this case, the BSP is Legitimising Resistance.

2.5.4 Preconceived ideals

Robson (2002) decrees that all involved in Social research must declare to themselves any preconceived and once uncovered, these ideas must be suspended, which is consistent with Glaser’s (1992) very clear directive of the practice of grounded theory. Both Glaser (1992) and Robson (2002) advise constant checking of assumptions borne of personal values.

Consistent with Glaser (1992) and Robson’s (2002) directive I declare that I have no cultural, family or genealogical connection to Japan. I am interested in Japan as a nation, fractionally more so than most other nations, for no logical reason other than curiosity. Its culture, its people and its country contain a sense of interest for me and it was this appeal which informed was part of the decision to cover this topic. As I understand that motivation waxes and wanes in PhD’s and a topic must be sustaining and interesting to the researcher to maintain a level motivation, which is why my interest is likely to be advantageous but suspended to the extent possible.

Robson (2002) encourages the researcher to think in terms personal issues, taken for granted assumptions associated with my gender, race, socioeconomic status and political leaning, so I have clarified to myself my personal value systems which may interfere with coding and interpretation.

In political terms I prefer leftist values, but not the drastic extreme. I am a middle class woman, living with my life partner and our two young children; statistically speaking I am under the high point of the bell curve. I believe in God but am not religious, I am still young enough to be a little bit idealistic and old enough to know better. I do not believe that I harbour views or unchecked assumptions that are extreme or that may interfere with data collection or analysis.

2.5.5 Data Collection

Data collection was completed in a variety of ways. Data was collected via the newspapers and academic literature, interviews, archive searches and site visits. Interviews were conducted and coded, new interviews were targeted based on the themes emerging which informed subsequent interviews.
There were no specific question sheets, although all participants were asked about their impression of the organisations be it Toyota or Nissan. More specific questions depended on interviewee answers. The list of interviews is below (see Table 2), as well as the list of sites visited to collect data (Table 3).

### 2.5.6 Validity & Reliability

Typically the domain of positivist research, validity refers to if the research is actually measuring what it claims to be measuring, and reliability refers to the ability to replicate results, that is, could another researcher under the same conditions come by the same results.

As to the validity of the study, Grounded Theory conducted according to the criteria stipulated by Glaser (2003, 1992, 1978) is considered valid, even though the outcomes are reached with a method that is alternate to positivist research. Reliability is also demonstrated by the coding process which provides ample opportunity to demonstrate the reliability of the emerging patterns of data and corresponding theory (Glaser 1992).

As to case study validity and reliability, rational argument, triangulation (as with grounded theory) do allow for analytical generalisation (Gilbert, Ruigrok, and Wicki 2008).

### 2.6 Audit trail

#### 2.6.1 Starting out

When I first started to try to understand what I was doing, foolishly I thought understanding would be in time counted in months, not years as I was to discover. The following audit trail demonstrates my path, winding and confused though it may have been, it ended with the emergence of the Legitimising Resistance model.

In the very beginning in 2011 my supervisor gave me the names of three fellow students who had completed their PhD thesis on different aspects of Toyota, and I read these. A review of academic articles on Toyota Australia manufacturing and Nissan Australia Manufacturing were limited, with the idea that Lean had been implemented at Toyota a forgone conclusion. For Nissan there was only one article, and it focused on the reason for their closure.

I was confident in my capacity to interview having spent several years in human resources and so when my first interview came about I was excited, though trying to
suspend any preconceived ideas was difficult. I had started to formulate some ideas but mostly I was aware that I knew next to nothing so did not want to appear idiotic or miss something. As it would turn out, I would call myself idiot with relentless regularity as I struggled to understand Glaser, or when I listened to myself on interviews and considered what I should have thought to ask at the time, or other incidents that occurred along the journey, as many researchers will testify to, the list goes on.

My first interview which I conducted was with a retired Senior Manager from Toyota (Interview number 3). I asked him to tell me about working for Toyota and he rambled on for a while, I recorded the interview and transcribed the results, coded them and clustered them into some groups. Some of these included:

- Resisting (inside organisation)
- Valuing (what is valued? Who decides? Why? What)
- Establishing boundaries, defining the discourse
- Informing (information is power)
  - Gathering information
  - Gaining information
  - Using information
- Flowing (continued motion)
- Arguing, fighting
- Quality as a source of power

At this point I had no ideas about Nissan, but had started some tentative ideas about Toyota.

I required more information, so with this in mind I conducted and coded another four interviews following (Interview numbers 1, 2, 10 & 11).

Having met with an academic who had written the only article on Nissan (interview 22), I was directed to the Australian National University Archives. I spent several days there reading and making photographic copies of a multitude of documents pertaining to AMI, AMI Toyota, Nissan and Toyota or the industry as a whole, and I was able to conduct a document analysis of the data. Although about 5 per cent of some 1700 pages captured had poor readability, I coded the information and re arranged it into chronological sequence, coding for each company, and period of time. I also did an internet search of media sources.
One stand out memory that I will never forget was early on in this stage, as I was trying to understand Glaser and his pension for enormously conceptually bent words, his exhaustive cadence and the lofty style of explanation. I had thought myself quite good at conceptual thinking; I had nodded emphatically when my supervisor had explained the methodology was very conceptually based, and which books I might start with.

“I can do this” I had said confidently to my supervisor. It was not much time later I sat in his office with my list of descriptions (which I thought were codes) when I had my first bruising dose of Glaser’s reality. What do you think, I asked, and he said “These are just…” his voice trailed away, his hand moved outward in a gesture of ‘I can’t explain how wrong this actually is’. I looked hard at the carpet. It was the high wear, mottled arrangement with no real pattern but not uniform in colour either. I looked even harder at it, but the stuff refused to open and swallow me, no matter how much I wished it to. It was not the last time that I was to feel like a dim-witted idiot, indeed that experience came uncomfortably with more often than I would like to admit. At the time, it was difficult to face the person on whom I had based my own teaching style on as he is one of the rare academics who contribute significantly to research as well as teach content in a way that encourages students to learn beyond the content of the course.

Failing yourself is a terribly awful feeling. Failing someone you hold in such high esteem is putrid, so to fail on both fronts is one of the more difficult hurdles over which to fall, and then stand up. I cried all the way home in the car, but like a drowning person anxious to reach a life raft I could think of nothing but getting back to my desk. So when I got home, I sat at my desk, and opened Glaser's Theoretical Sensitivity, which proved understandable and useful the third time I read it. I hasten to add that for the most part our meetings were positive and my supervisor never failed to be encouraging. My self-belief on the other hand was rather less consistent.

In spite of my failings, I went about coding again, memoing as I went and comparing differing perspectives of the same event, as well as the differing company responses to external pressures. The data collected seemed to be leading me in an unexpected direction regarding of how accommodations are made, or were not made, as the case maybe.
Following Glaser, open coding provides an initial stage start on data analysis looking for what categories might emerge as an underlying meaning or pattern within a set of incidents (Glaser 1992). Hence data is coded and memos written.

Memos emerging at this point included

- Taking pride
- Identifying (self as and with)
- Competing
- Demonstrating
- Disputing
- Conforming
- Desiring approval (and left wanting)
- Suffering loss
- Blaming
- Defining boundaries/Establishing boundaries/Defending boundaries
- Flowing motion
- Engineering
- Protecting
- Coping with opposing forces

I also came to realize context was fundamentally important, as the pressure of the outside operating environment was pressing in and impacting the industry.

It should be noted that at this juncture due to the birth of our son I took a year off from the start of 2012 to 2013. When I commenced again I started interviewing to understand concurrently context (24,25,26,27) and internal environment (Interviewees 4,5,13,15,16&17), and started to work on the ideas that were emerging, the more significant seemed to be as reflected in Table 1:
<table>
<thead>
<tr>
<th>Theme:</th>
<th>Coping with dialecticism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Properties:</td>
<td>Rationalizing, ignoring, resisting; constructing opposition, destructing; refusing recognition</td>
</tr>
<tr>
<td>Theme:</td>
<td>Asserting</td>
</tr>
<tr>
<td>Properties:</td>
<td>Identifying with or for the union; Arguing, fighting, proving, resisting, jousting, provoking, criticizing, competing, trying to control outcomes, prescribing the how of manufacturing, disrupting to prove existence, trying to be heard; amassing power; demonstrating power</td>
</tr>
<tr>
<td>Theme:</td>
<td>Celebrating Masculinity</td>
</tr>
<tr>
<td>Properties:</td>
<td>Aligning for protection, proving strength, masculinity, sticking together, physical fighting, protecting, referring to women as 'girls', competing; power</td>
</tr>
<tr>
<td>Theme:</td>
<td>Resisting</td>
</tr>
<tr>
<td>Properties:</td>
<td>Pushing back, avoiding, resisting, holding old ways, not 'rolling over', identifying with resisters, taking pride in resistance, proving power; disrupting to prove existence; consequences for resistance (positive and negative)</td>
</tr>
<tr>
<td>Theme:</td>
<td>Acknowledging</td>
</tr>
<tr>
<td>Properties:</td>
<td>Defining the expert; manufacturing acknowledged as chief; who is not acknowledged (think 2\textsuperscript{nd} union)? What ideas not acknowledged (anything from Australia – against Lean principles?) Unchecked assumptions? Seeking attention/approval</td>
</tr>
<tr>
<td>Theme:</td>
<td>Deferring</td>
</tr>
<tr>
<td>Properties:</td>
<td>To experts, to Japan for technique, to the union for disruption or reinforcement/direction</td>
</tr>
<tr>
<td>Theme:</td>
<td>Resolving</td>
</tr>
<tr>
<td>Properties:</td>
<td>Justifying, explaining, resisting</td>
</tr>
<tr>
<td>Theme:</td>
<td>Defining</td>
</tr>
<tr>
<td>Properties:</td>
<td>disrupting to prove existence; establishing/defending boundaries; proving needs ;proving agency</td>
</tr>
<tr>
<td>Theme:</td>
<td>Owning</td>
</tr>
<tr>
<td>Properties:</td>
<td>Defining ownership, overlaps with acknowledging; identifying with the union or against it, trying to be powerful</td>
</tr>
<tr>
<td>Theme:</td>
<td>Blaming</td>
</tr>
</tbody>
</table>


### 2.6.1.1 Table 1: Initial themes

The themes that started to emerge focused on elements of discourse and how they conducted themselves. It occurred to me that:

Power is coveted overtly and covertly, and it seems to exist in a state of permanent flux, with no fixed state, it cannot be fixed like boundaries on an atlas, but all discourse behaviour seemed to stem back to power orientated, demonstrating power (management), controlling resources (production) or proving power (unions).

Theoretical memos were as follows:

- Controlling information flow is associated with direct power
- Guiding perception is an indirect source of power
- Agitating gains attention
- Recognition and power are related

Dominant logic is constructed and delimits information both in what is taken in and how.

- Japanese dominant logic – superiority, quality, information flow to Japan, recognised as the manufacturing process and quality defining experts.
- Australian dominant logic – proving self as both existing and valuable; not inferior but quite capable. Split into two discourses management and union.
- Australian belief that manufacturing in Australia inferior, too expensive and should not be directly government subsidised.
The validity of quality is recognized or acknowledged by all discourses, but defined by Japan.

Japan cast themselves as expert, and define the criteria of reality around their dominant logic. Australia defines its reality around its dominant logic. This creates a significant tension as the dominant logics overlap but are also very disparate, which leads to tension.

I had started to develop a picture of the two organisations, with Toyota being defined by competition and competing discourse, whereas Nissan was defined by mechanistic thinking and engineering. What existed in common was resistance, but it was playing out differently for each organisation. I got the sense that there had been change at Nissan, yet they had shut the factory and left. At Toyota though, they had been operating for longer and not had the expected shift in sentiment, and they were still manufacturing. This did not make sense.

It had occurred to me that although Japan is described often as homogeneous (Hofstede 1994), Toyota and Nissan were fundamentally different in their approaches to Australia. In the way they managed, in their dominant logic and the Australian discourses had been fundamentally different in their responses to Japan.

The attitude of the Toyota union is obviously adversarial and it indicated a sub culture that existed within the organisation. I noted to myself to selectively code about power. It is questionable whether a ‘single union’ site (or in this case two unions that have bonded as one) is easier or more difficult to control, and to implement or accommodate a new discourse. In this situation, it appears that the selection of a single union yielded a power imbalance, affording the union a significant degree of control over production and outputs, and that power imbalance has hindered or prevented accommodation of the Toyota culture and belief system.

Indeed the deliberate adversarial stance, the positioning and active refusal from the union organisers encourages an ‘us and them’ approach, working to counter cultural accommodations, as is underlined by a statement from one union organiser:

...some people will turn right over so they yap the Japanese lingo, but me I rebel against that, I always have.

Hence this lack of buy-in indicates that the Toyota Altona culture has not been able to establish the accommodation of the Toyota Production System and its associated
belief system The Toyota Way. It presents an interesting perspective, did Toyota actually instigate change?

This deliberate disruption to the flow of the organisation is significant but how does that fit?

According to Purcell & Nicholas (2001), Japanese firms integrate most effectively into Australian businesses when knowledge and resources are shared, however given some 25 years on the degree of resistance that is still evident, and I started to wonder where the flow of information fit. It seemed a commodity, metered out as an example of power, but even then it was difficult to understand because there seemed differing uses between the two companies, with the only thing in common was that information flowed predominantly to Japan, and there seemed a difference in the way information was sanitized coming from Japan to Australia. So they treat the Australian discourse differently. What does each discourse focus on? What do they value?

2.6.2 The makings of an embryonic model

2.6.2.1 The AH HA Moment
What happens when part of a discourse identity or what it considers its value is not recognised? At this point I had an epiphany. The different discourses seemed to acknowledge different things, focusing on different things, allowing different things to be attended to. Dealing with recognition, or rather the lack of it seemed concern for the participants. Specifically, the main concern of the participants was ultimately about being misrecognised:

How to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth.

2.6.2.2 Recognition becomes the core variable
Once I hit on recognition everything started to come together. Well, sort of. I went back to my data, looking for what defined what was recognized and what was not. Where did values and identity fit? Who decides the allowable focus and what are the criteria?

I started writing about each company and their behaviour. What they valued and how. I went back to the interview transcripts again and selectively coded memoing again as I looked at the data with new insight. I was on the edge but couldn’t get it.
Saturating the category took time, everything seemed to overlap, and it was confusing.

I was stuck with what to make of what I had though, I knew there was something staring me in the face but I couldn’t see it. I had been told that there would be tears, I had no idea there would be so many. I thought to myself: Stupid PhD! Not like a nice safe assignment where you can have wonderful boundaries, and you know where the hell you are going! That was a Thursday.

Friday was blissfully unproductive as I had our 3 year old son for the day, though I felt guilty because I couldn’t really be present with him, and not for the first time I wondered what my study might have cost, but as usual I got back to thinking about Toyota and Nissan again.

The following day I guiltily left home early instead of facing my computer and went to swim as I do regularly with a squad. I couldn’t concentrate and when the coach told me my stroke was sloppy I burst into tears, the poor woman had no idea what to do with me. Fortunately for me I was in a lane with a former head mistress and a Doctor of Philosophy who immediately made me explain my problem: I had thousands of codes, memo, notes and transcripts and documents and words and ideas and they were all pressing in, and I couldn’t make sense of any of it, but it felt like something completely obvious was eluding me.

On recommendation of my lane mates I got out of the pool, went home and got all my codes and memos out and mapped everything out on the floor. It was then, with my big sheets of paper I realized the pattern I had been missing and how resistance fit.

Hooray!

Densification of the model followed. I went back and focused on themes which had occurred with a high degree of frequency, and discovered they fit neatly. I then defined what each organisation recognised and which did not, which explained to me what information was used and how it was used to recognize or limit recognition.

The identification of recognition became the core category, the main concern of the participants was dealing with recognition, or more specifically the lack of it. I then
started to delimit the study and went about theoretically sampling to densify the model. This also informed the question I was to ask at subsequent interviews.

From this point I commenced delimiting the thesis to understand the concept of recognition, and I began selectively coding for recognition. I started attempting to saturate the category. It accounted for a large variation, but I needed to understand how the constituents dealt with this concern. From here on I was looking to identify what the Basic Social Process was, which is the process the constituents go through to resolve this concern.

2.6.2.3 Acknowledgement becomes a stage of the core category
Toyota refused to acknowledge the second union (the ETU), having attempted to force a single union site. Nissan workers were asking questions, making changes and being punished or the questions went un-acknowledged. Each discourse seemed to be trying to reconcile the lack of acknowledgment for its needs or purpose.

But acknowledgement didn’t seem to cover everything. What was the basic social process the participants were undertaking to resolve this lack of acknowledgement? Cars were actually being made, Nissan got car of the year before they closed so clearly good cars were being produced. What of what was acknowledged? What of the overlap where all discourses recognised the same things and agreed? And back to the data and memos once again, though some of my notes, like my nerves, were getting a little worn.

I kept acknowledgment as the primary part of core category for a while, and although the handle didn’t seem to fit, I knew I was on the right tram.

I began to comprehend Nissan not as a collection of grief, but as an organisation of silent resistance, or resistance by lack of participation. If I put aside the grief that leaked from some of the participants regarding the closure of the factory, beneath this the concern seemed to be reconciling the disconnect between what they were being told, and how the company was behaving towards them. There appeared less resistance on the surface, as there was resistance which focused on proof of identity and value, but not the overt competition and fighting as what had existed at Toyota. Hmmm. It appears physical location made a difference.
2.6.2.4 Trust, or lack of it
At this point I readdressed trust and distrust as theme, and I started to compare it to my notes on ‘reforming’ from Nissan as trust seemed to exist, to Toyota where trust did not. After some time of working on this idea, the data indicated trust and distrust existed as a result of discourse experience and beliefs. I tried to link it to the idea of reforming at Nissan but it like other ideas fizzled out as I discovered resistance was evidenced by the data, and I was back to the drawing board.

So off I went for more data. I interviewed some people from the political arena, I wanted to understand how what the government had sought to do, what was their main concern about the industry. Interview 14 was invaluable, and I gained a substantial understanding on what was going on, triangulating some of the documents from the archives plus contact details for some key Nissan people with whom I had identified but had been unable to find a way of contacting them. Interview 23 was an interesting study on a politician who used lots of words but said little of relevance short of demonstrating the ingrained belief that Japan was inferior to Europe.

Consistent with my desire to understand the pressing impact of the external operating environment I sought contact with various academics and stakeholders not employed (or previously employed) directly by the companies and began to understand that economics were neither clear cut nor logical (Interviews 28 & 29).

At this point I started to understand AMI and AMI Toyota seemed characterized by completion and masculinity, these were indisputable themes and seem to go to the heart of the matter, being the vehicle for resolving the main concerns of the recipients. Building on this theme I came to understand what had emerged from the data:

Competition was what defined the reality of the participants, and hence their experience of resolving issues was to compete. This was a pattern of behaviour that helped create boundaries between the discourses and foster a belief system, based on the assumption of distrust. It created boundaries and linked with identity. Was it about feeling powerless? Was ‘winning’ what made power? How does a discourse ‘win’? To win is discrete, how does this fit with the continuing nature of power shifting?
2.6.2.5 The realization of ‘Flowing’ or continued shifting of power foci and locale

The idea of ‘flowing’ or ceaseless motion has emerged from data repeatedly in particular interviews early on, and in Ohno’s (1988) book on the subject of the Toyota Production System. He states: “Establishing flow is the main condition” (Ohno 1988, p 33), and though he is referring to production in a literal sense, there is a myriad of underlying assumptions and beliefs that support it from a discourse perspective.

Although Lean takes a modernist approach to manufacturing with strict procedures to maintain a high level of quality on products, waste reduction & continuously improving, the culture heralding from Japan seems to be based on a system of not just uninterrupted physical flow, but also pride, and collegiate inclusiveness, with a circular nature, that is no beginning and no end. There are defined boundaries, as the idea is under Lean that as a production worker one can move from department to department, machine to machine but one’s identity is company not job title. So if I were a production worker there my identity is my company. Information is also more flowing, but in Australia with who or what discourse does one identify when it seems an either or choice? Company management or union? How does identifying disrupt the flow of Lean?

Underlining this point, Interview 11 said:

But what was different was that certainly Nissan Japan in the time I was out there, were always surprised that we didn’t know very much about our workforce and certainly I got quizzed quite a few times. They were able to rattle off personal details, stats, celebrations that they had. We could, but nowhere near the extent they did. I mean, they put such value on that and they couldn’t understand why we Australians didn’t grab that.

2.6.2.6 Legitimising – a key theme and the beginning of defining the Basic Social Process

Having conducted more than 15 interviews, and considering the data from the archives I came to see that legitimising seemed a process that every signal, person or discourse seemed to be dedicated to, and that made it central to the resolution of the main concern of the participants. The unspoken question of why, seemed to require an answer. This flowed from the outside in, with the industry being much maligned, labelled too expensive to maintain, its very existence required legitimisation. The discourses within also seemed compelled to legitimise
behaviours, beliefs, actions and assumptions against one and other. The idea had merit at this stage, but like a new foal trying to stand it seemed wobbly. I went back to the data and found that for each of the discourses, they went about legitimising their own behaviour, and some legitimised the behaviour of rival discourses.

According to a interviewee 1

...they have thrown everything at us, with all this stuff they have tried to introduce, and they will put as much money as they can into it, if it costs them thousands, or millions they will put the money into it just to try to get their way...

2.6.3 Ah HA! Legitimising resistance

Resistance was a theme that had existed from the very beginning. In the face of disagreement or dialecticism the basic social process that all participants participated in to resolve the tension created from punishment or non-recognition was to legitimise resistance and in this process try to bring the legitimacy of the behaviour, belief/assumption into the shared space of recognition, the ultimate goal of the value or legitimacy of the act, belief assumption or behaviour for all the discourses.

From here the substantive code was starting to be built again, but lifted up into the conceptual level; Theoretical codes were fitting together and I looked to Glaser’s coding families, where I started working with the Six C’s family (Causes, Contexts, Contingencies, Consequences, Covariances and Conditions) what Glaser refers to as the "bread and butter" theoretical code (Glaser 1978 p 74). But it didn’t seem to quite fit, and upon consultation with my supervisor I moved to the Process family, which was a good, neat, comfortable fit.

2.6.3.1 Boundaries highlight identity and agency

This idea of differently placed boundaries also became a theme. Flexibility in the work force was prized, so that the work force could respond to differing needs & circumstances, and hence work would flow unhindered. So a process worker would be trained and skilled at a variety of lines, rather than being limited to one, to fit with business/manufacturing/supply needs. Interview 4 said:

Having the flexibility to cut costs, but also the flexibility to rearrange the workforce on any given day.
was apparently what made the company more able to respond to the flow of requirements.

However also dinners, social and other events for executives were not “after work”, they were work, so whatever was discussed it was to be treated if the ideas and discussion had happened in a meeting on site in the middle of the day. Notes were taken then or later at home when recalling the conversation and followed up in a way that would have been expected had the discussion occurred in a day time business meeting. Interview 10 said:

[we were out and I said] What we’ve got to do is get a joint venture commercial vehicle company together…Went back to the Imperial Hotel, went to sleep, forgot all about it in a drunken stupor. The next morning, my boss said, 'oh, I understand you’d like to consider a joint venture’. …Six months later, that company was formed.

That’s Japan. What of Australia? The union seems the place where identity is stored and therefore is reinforced with boundaries of ownership (of/by members) and (through?) protection. To maintain these boundaries the delineation between company management has been historically maintained based on the assumptions of management taking advantage and worker seeking to cheat the system. The adversarial behaviour creates boundaries in a different place to Japan, this is not recognised by Japan. The Australian system is demonstrated by the following excerpt from a notice from R. B. Morrow, the Personnel Manager of Industrial Relations, at AMI dated 1st April 1976:

All [shop] stewards are advise that the company recognition of that or any other Senior Shop Steward will depend on his observance of the Award and in particular of Clause 35 Part 5 of the Award. It should also be noted that Shop Stewards have the same right as Senior Shop Stewards with respect to recognition and access to the company.

2.6.4 Travelling to Japan – enabling a significant epiphany
Going to Japan was fundamentally significant to this research. I had not planned on it when I commenced but some time in as a result of what the data was indicating I realised I needed to go. I was able to view and experience differing elements of data and triangulate themes emergent from data. Indeed what I saw was
extraordinary. I visited several sites including the Toyota Commemorative museum (Toyota originally made fabrics and weaving looms before automobiles), and it was after this location I had a significant epiphany: I finally grasped the expectation for and capacity of Toyota to construct the reality of the unsuspecting observer.

Beautifully attired in perfectly pressed uniforms the guides next to the many weaving machines on display were able to operate them via little remote controls held discreetly in their hands, the respective machine whirring to life as if by magic when you walked near. A friendly (scripted) guide explaining in perfect English what each machine did and how ground breaking it was at the time of invention. The signage on the displays was unobtrusive and always appearing factual; every message described the item in question and then went on to tell you that Toyota stood for safety, quality and ingenuity. As an example, one sign read:

Sakichi Toyoda achieved his ultimate goal in 1924 of inventing and completing a non-stop shuttle change automatic loom as well as a circular loom. This first Type G automatic loom commemorates his industrial and technical legacy. This loom incorporated 24 automatic, protective and safety devices based on more than 50 of Toyoda’s existing inventions and underwent repeated and complete commercial operation testing in order to deliver world-beating performance and contribute to the advancement of the textile industry worldwide.

The factory tour was equally as resplendent, appearing even more eminent as I had to book weeks in advance. I, with my fellow tour colleagues were greeted by a number of very pretty young ladies, bussed on luxury coach with other intensely admiring guests to the three factories whilst our scripted guide gave us many facts about Toyota, their history and without being direct about it, the whole explanation was really sending the message as to why no other car company maintained valid existence. Toyota is the world and the world is Toyota.

The Toyota Motor Museum, and Manufacturing Museum followed this trend. One would step off the street to approach the perfectly manicured lawns and gardens, entering a building that was perfectly designed to draw the eye to the messages Toyota wanted to send. The way to get to these places was mapped out by Toyota, so you would follow the route they designed, seeing the things they wished you to see. They were not offering an allowable focus, they were defining it. And the
attention to signals was unparalleled. Every signal, no matter how small defined the message: Toyota is universally right. In fact, Toyota is the universe.

Contrasted starkly was the Nissan Museum. With no directed path I walked from the nearest train station as I managed to find one that was only about 2 kilometres from the museum. I chose to walk the distance rather than catching a Taxi, admiring the factories and industrial estates as I went. I was entertained by the sight of a perfectly attired logistics cum security guard who guided a truck in with neon batons, as if it was an aircraft, and wondered briefly if I was undertaking something a little risky, as a foreign woman alone in an industrial estate. I rounded the bend to see the Nissan factory, not dissimilar to many factories I have seen, drab, dreary and soulless. The parking lot for the museum and factory was littered with weeds (some over a meter high) between cracks in the concrete. A little sign that directed me to the entrance was all I could find to tell me I was in the right spot. Upon entering I thought the lady behind the desk might leap over it and attach herself to me like a marooned sailor finding company after years alone. She dashed around the corner of the desk, pumping my hand and presenting me with a Nissan Leaf replica (about the same size as a matchbox car). She then proceeded to follow me about the small museum asking what assistance she might render. I felt bad that I couldn’t be more entertaining. I did try to explain my research, and for her part she nodded, but as her English was limited and my Japanese very poor we bowed and smiled at each other a lot, but achieved little by way of communication. I wondered if she were bored, indeed I had the museum to myself.

I noted with interest Australia did not feature in the Nissan Historical Time Line display. There were messages of superiority but they seemed stilted. The signs again appeared factual, but bordered on bland. For example speaking of the Datsun Sunny model, one sign read:

Sunnys release furthered Japan’s motorization and introduced the age that popularized car ownership for everyone. The campaign aroused interest when, at the time of release, participation in the naming of the car was invited.

What occurred to me was Toyota’s capacity to manage impression was amazingly superior to anything I had experienced, whereas Nissan’s was not. Aside from the financial cost associated with the former mentioned impression management trappings, there was an unquestionable sense of pride.
The meeting with interviewees 18, 19 & 20 in Japan was fascinating on many levels. The way that they conducted themselves was with only one man (the most senior) speaking on behalf of the three. When one of the non-speakers disagreed, the body language was clear and shockingly pronounced but physical reactions went unacknowledged, as if they had not occurred. The collective nature of the culture defined strictly what behaviours were allowable. Interestingly, their discussion turned to the Leaf, Nissan’s electric car and I could see that although much had been made of the changes brought by Carlos Ghosn (the CEO of Nissan and Renault) and Renault alliance, and I left the meeting clearly understanding engineering very much still drove the discourse and was the source of pride.

I started to wonder if actual change was at all possible.

I realised what was common between all discourses was acknowledgment, but the idea of acknowledgment did not cover the non-acknowledgment as accident or intention. The central concept or core variable I had been seeking was recognition.

I went to see my supervisor who said ‘just keep writing’. I said I wanted to do more interviews he said no. “I’ve got your number.” He went on to explain: “You’re like a toddler who’s investigated everything in the room and now you’re off into the garden, get back in the room!” He picked up on my anxiety, reassuring me “I’ve not lost one yet!” he said, referring to having shepherded so many PhD students to completion. I didn’t tell him that I worried I might be the first.

I went home, I was dejected, overwhelmed and irritated. I liked gathering data. I pressed on, saturating the categories.

2.6.5 Certainty, or the management of uncertainty

Change actually occurred at the very end for Nissan, under the leadership of pragmatic individuals. This led to looking at memos on trust and distrust and identity and belief systems, which seem to be constructed around reducing uncertainty. Stability was maintained when the leadership was autocratic. Lean operates to reduce uncertainty, and construct a reality that is self-perpetuating. The discourses were responding to uncertainty differently, as there are opposing ideas about how to structure reality. That links back to what is recognised and by whom. So expert status is recognised and agreed, but where there is difference of opinion there is legitimisation of resistance. My model is starting to look like something!
2.6.6 Dialecticism
When I first began to research this topic, didacticism became the first thought of what might be a core variable. The ability to reconcile the opposing views seem to be something that all discourses struggled with, hence how to reconcile the differences became a key question each discourse had to address from both within themselves and between self and other. The answer was in the process of legitimisation.

2.6.7 Positive reinforcement
Positive reinforcement existed in the shared space where discourses assumptions and beliefs overlapped. That was nothing new, but fit with and reinforced the model.

2.6.8 Social Exclusion
It occurred to me that the installation and maintenance of boundaries around a discourse was designed to keep selected ideas, values, assumptions and behaviours in, as well as keep others out. Building on this further, I started back with the union archive documents, and then realized that as my supervisor had already pointed out, universally that is how organisation seems to punish its ‘non conformers’. This was significant to me as it is one of the very few, hard and fast rules about organisation, irrespective of nation, history, paradigm or any of the other dependences. The unions had consistently sought to exclude management, as they did with Lean at Toyota, though less directly. Both the Japanese discourses worked to exclude Australian discourse and value, to undermine the right to the existence of the belief system. At both companies this exhibited itself in terms of information control. To be excluded meant to be denied being an allowable focus, but was this a consequence of recognition or was recognition a consequence of it?

That then stimulates the question: Were Toyota forcing a change in organisational culture by engineering out the agitators, as well as improving efficiency and reducing the cost of factory operation, hence the 350 redundancies in 2012? Those who were perceived as overtly defending against the intruder culture of Toyota were selected by measurement against behavioural competencies, and had their positions made redundant. Was change actually instituted?

It was only after social exclusion of behaviour or people that actual change began to occur which led to the understanding that change occurs when space is created that
didn’t exist before. Fundamental and substantial change did not seem to occur where how to be or do change was being prescribed.

2.6.9 Resolving tension

Tension was initially conceptualised as a consequence of opposing ideas, but this did not explain where lack of recognition fit, or where the tension existed, so it was reconceptualised based on the themes of the data. This showed the differing discourses had to resolve tension both between itself and another discourse, and within itself, although it still followed the same basic social process of working to legitimise the resistance.

From here laying out the elements of the model was obvious – the model of legitimising resistance emerged.

2.6.10 Reflecting on a mixed methodology with grounded theory

It is only a the end of the years that I can comprehend and articulate that research via Grounded Theory is like stumbling around in the dark in an unknown location, one tries not to assume is a house, but crashing into items which might be furniture, repeatedly. It’s like trying to construct a map which inevitably changes the more that is learned, whilst trying not to assume or ‘force’ data. All whilst I was not even sure if it was furniture in the room as various elements seem to oscillate between becoming clearer and then fading, as new data is collected.

Robert Frost’s path less travelled is a most apt description, what he fails to mention is the brambles, time thieves, flat tyres, holes of varying size and wild animals, large and small that leave lasting bites that ache and ache, the wrong turns, u turns and dead ends and in amongst all that is the elusive snap shot of a peak through the trees, the ‘Ah HA!’ moments far fewer than the holes, but so intoxicating it pushes you on and on in search of another.

In deference to my supervisor I am grateful that it was Grounded Theory that was undertaken. Looking at the faces of my research colleagues I suspect that any methodology is likely to cause a reasonable degree of anxiousness, sleepless nights and excessive chocolate and caffeine consumption. So often I faced data that did not seem to fit, or tugged at my brain endlessly as I found myself unable to walk away mentally from what I had just read or observed. Periods of tears and of morose withdrawal are an inevitable reality, as is badgering your spouse and friends with thoughts, reflections, and opinions on data pieces, journal articles or books
until they glaze over with boredom, but from what I have seen all PhD students experience this, irrespective of methodology. It’s still worth it. It was Mahatma Ghandi who said: “Live as if you were to die tomorrow. Learn as if you were to live forever.”
<table>
<thead>
<tr>
<th>Position/Title</th>
<th>Date interviewed</th>
<th>Relevant notes</th>
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<tbody>
<tr>
<td><strong>Toyota</strong></td>
<td></td>
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<tr>
<td>1 Union Organizer</td>
<td>November 2011</td>
<td>Long term employee and representative of one of the two main unions at the TMCA site.</td>
</tr>
<tr>
<td>2 Union Organizer</td>
<td>November 2011</td>
<td>Long term employee and representative of one of the two main unions at the TMCA site.</td>
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<td>2a Union Organizer</td>
<td>November 2011</td>
<td>Long term employee and representative of one of the two main unions at the TMCA site.</td>
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<tr>
<td>3 Manager – Quality</td>
<td>February 2008; June 2011</td>
<td>Long term employee from AMI time</td>
</tr>
<tr>
<td>4 Chairman of the Board</td>
<td>May 2013</td>
<td>Significant longitudinal experience in the car industry, decades at TMCA</td>
</tr>
<tr>
<td>5 Sales Manager</td>
<td>May 2013</td>
<td>TMCA employee</td>
</tr>
<tr>
<td>6 Factory Tour Guide</td>
<td>October 2013</td>
<td>Toyota Japan employee</td>
</tr>
<tr>
<td>7 Former senior shop steward</td>
<td>May 2014</td>
<td>TMCA employee</td>
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<tr>
<td>8 Human Resources Consultant</td>
<td>May 2014</td>
<td>TMCA employee</td>
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<tr>
<td>9 Continuous Improvement Manager</td>
<td>July 2015</td>
<td>TMCA employee</td>
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<tr>
<td><strong>Nissan</strong></td>
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<tr>
<td>10 Managing Director</td>
<td>November 2011</td>
<td>Significant longitudinal experience in the car industry, years at Nissan.</td>
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<tr>
<td>11 Human Resources Manager</td>
<td>December 2011</td>
<td>Former Nissan employee</td>
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<td>12 State Parts Manager</td>
<td>April 2012</td>
<td>Former Nissan employee</td>
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<tr>
<td>13 Union Organizer</td>
<td>February 2013</td>
<td>Former Nissan employee</td>
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<td>14</td>
<td>Button Report Author</td>
<td>March 2013</td>
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<tr>
<td>15</td>
<td>Finance and IT Manager</td>
<td>March 2013</td>
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<td>16</td>
<td>Managing Director</td>
<td>April 2013</td>
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<td>17</td>
<td>International Human Resources Manager</td>
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<td>18</td>
<td>Director</td>
<td>October 2013</td>
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<td>19</td>
<td>Logistics &amp; Procurement Manager</td>
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<td>20</td>
<td>Sales and Marketing Manager</td>
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<td>21</td>
<td>Supplier Quality Manager</td>
<td>November 2012</td>
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<td><strong>Operating Environment/Related</strong></td>
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<tr>
<td>22</td>
<td>Academic</td>
<td>August 2011</td>
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<td>23</td>
<td>Senator</td>
<td>March 2013</td>
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<td>24</td>
<td>Business Executive</td>
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<td>25</td>
<td>Academic</td>
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<td>27</td>
<td>Academic</td>
<td>June 2013</td>
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<tr>
<td>28</td>
<td>Project Manager HP Australia</td>
<td>July 2013</td>
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<tr>
<td>1</td>
<td>Australian National University, Canberra, Australia (to access the Federal Vehicle Builders Union Archives)</td>
<td>November 2011</td>
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<tr>
<td>2</td>
<td>Toyota Factory, Altona Australia</td>
<td>January 2004; July 2015</td>
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<tr>
<td>3</td>
<td>Toyota Factory, Nagoya, Japan</td>
<td>October 2013</td>
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<td>4</td>
<td>Toyota Manufacturing Museum, Nagoya Japan</td>
<td>October 2013</td>
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<td>5</td>
<td>Toyota Commemorative Museum, Nagoya Japan</td>
<td>October 2013</td>
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<td>6</td>
<td>Toyota Amulux Salon, Tokyo, Japan</td>
<td>October 2013</td>
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<td>7</td>
<td>Toyota Car Museum, Nagoya, Japan</td>
<td>October 2013</td>
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<tr>
<td>8</td>
<td>Nissan Museum, Yokohama, Japan</td>
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This chapter discussed strategy and approach of the methodology chosen for this study, which was grounded theory and case study. A full explanation of grounded theory as a methodology was made, including the process of sampling (which was theoretical), coding (substantive and theoretical), memoing, and conceptualising. Following this was a description of the audit trail which details what happened on the research journey and how the researcher arrived at the model and is essential for validation purposes.

In the following chapter the findings around Toyota Australia will be discussed, including a brief history from both Japan and Australia. The primary focus of this coming chapter is the dominant discourses which emerged from the study into this organisation, and how they accommodated or resisted competing discourses. The elements or themes which were recognised and encouraged centre on masculinity, and how masculinity underpinned the assumptions and values regarding resistance were defined.
Chapter 3: Toyota Australia

This Chapter discusses the case of Toyota Australia, detailing a brief history of the manufacturing firm in Australia, including some contextual information with regards to Japan. The format that recognition took is described, including the encouraged and allowable focus of the main original discourses, centring on masculinity. Resistance, emergence and forcing of change are also discussed as they characterise Toyota the manufacturing organisation in Australia.

3.1 History

In 1933 Toyoda Automatic Loom Works established their automobile division, producing their first car in 1935. Although they had established plants in Brazil in 1958, and Thailand in 1964, Toyota’s first manufacturing experience in an English speaking, ‘western’ country was its assembly with Australian Manufacturing Industries (AMI) in 1963 (Davis 1999).

Toyota is named after the Japanese family Toyoda, and as an example of their unwavering commitment to ritual and symbol the company name was changed from ‘Toyoda’ which literally means fruitful rice paddy, to ‘Toyota’ which when written in Japanese characters has the ‘lucky’ 8 number of strokes. The number 8 is also the symbol for infinity and the name is intended to represent all who work for Toyota, rather than just the Toyoda family (Toyota factory tour October 2013).

Historically Toyota for the most part have sought to stand alone, pointedly and deliberately choosing not to partner with another automotive manufacturer (Vaghefi, Duesen & Woods 2007), although they have participated in local joint ventures with General Motors such as in the USA and Australia, and Peugeot in the Czech Republic. Traditionally Toyota has sourced change and development from within, with an ever-present awareness of what the market and competitors are focusing on.

Toyota’s first commercial venture in Australia was via import of Land Cruisers by Sir Leslie Thiess for the use in a significant engineering project (the Snowy River dam project). Based on his experience with the cars, Sir Leslie began importing Land
Cruisers into Australia as the first licensed distributor. Described by (former long term employee and board member) Interviewee 4, Thiess Toyota

....was a baby company, it was the sibling of a mining company which happened to stumble onto a good franchise and had enormous potentials.

The Thiess family began importing Toyota Land Cruisers from 1958, and commenced selling them in 1959. From this point Thiess Toyota became a major distributor of Toyotas, and as a distributor notably became a direct competitor of AMI Toyota, who were to distribute Toyotas as well (Davis 1999).

Toyota made its first step toward the Australian automotive manufacturing arena in 1963, under the guise of licensed assembly, however their long term plan was always to manufacture. It was with AMI that they had their first contact.

The history of Toyota manufacturing in Australia is significant as it is unique, and different to that of the other international Toyota sites. Historically, whilst the Australian manufacturing company included the Toyota name (AMI Toyota), Toyota only owned a minority stake until 1988, when operations were unified and Toyota Motor Corporation Australia (TMCA) began. This year also marked a crisis point in operations of the Australian automotive manufacturing industry, as it attempted to reinvent itself in light of legislative changes designed to improve industry efficiency.

For 25 years (from 1963 to 1988) Australian Motor Industries (AMI, and later AMI Toyota) operated the then Port Melbourne plant as its own, with its own processes and procedures, although it is reported that the Toyota Production System was introduced in 1981, however it was not engaged to the level or depth across the site as an integrated system until 1988 (Sohal, Samson & Ramsay 1994). Although AMI was not the first to assemble a Toyota outside Japan in 1963, it was the first in an English speaking country. There was some assembly under license in Mexico from 1960 to 1964, but a change in government sentiment ended the arrangement. Assembly was also conducted by the wholly owned subsidiaries in Brazil from 1958 and in Thailand from 1964 (toyota.com). In Australia however, with only a minority stake Toyota did not invest its knowledge and technology in the Australian operations to nearly the extent of its other wholly owned, internationally located manufacturing sites (which were purpose built on greenfield sites) (Davis 1999). The Toyota Production System (TPS) has been introduced and operated fully in
Australia only since TMCA’s inception in 1988, making Australia Toyota site one of only ‘brown field’ site (Davis 1999).

With assembly commencing in 1963 this did mark the introduction of some Japanese manufacturing techniques into the Australia automotive arena. However post World War II this was in the face of anti-Japanese sentiment that existed as part of the Australian dominant logic. Japan had not only been the enemy of the Allies, they had launched a direct attack on the geographically strategic port city of Darwin, Australia. On 19th February 1942 Japan had landed the single largest attack on Australian soil, leaving an enduring mark on the Australian psyche.

Although this sentiment has become less as years passed, the discourse has shifted towards a more anti-Asian than specifically ant-Japanese centric. Best evidenced in the late 1950’s by the fundamental lack of support and funding Sir Leslie Thiess was able to garner from his family business when he began to import Toyota Land cruisers. Described by Interviewee 4 (former long term employee, and board member) was Sir Leslie’s siblings’ reaction to Sir Leslie’s request for finance to commence importing LandCruisers:

We’d just come out of a war, and they said what do you mean you’re bringing Japanese … how DARE you bring Japanese vehicles!

There was also a movement that existed in the population, a general view that Japanese manufactured products were inferior copies of the European made products. The 1960’s and 1970’s the term ‘Jap crap’ was often made in reference to items imported from Japan and as child I witnessed the sage agreement of the generation that coined the phrase. Although sentiment since then has clearly changed, the stigma remained for a period beyond the early 1970’s, in spite of mounting evidence to suggest the contrary. The assumption that ‘European’ products are universally superior still endures in this country now, even though many are manufactured in Asian countries.

Even the unions were explicit in their anti-Japanese sentiment. In a letter to H.J. Souter, Secretary ACTU from R.E. Wilson, Federal Secretary of the Vehicle Builders Employees Federation of Australia (dated 6th June 1961) Wilson states:

Federal Council at its recent meeting discussed the importation of Japanese vehicles into Australia, and decided to refer the matter to the ACTU for consideration…
He went on to state the council was

...perturbed at [these] imports.

and requested a review stating the belief was they impacted the volumes of production. In short Japan was a threat; although European vehicle imports were not seen as such. It was with this undercurrent that Toyota came to Australia in 1963.

### 3.2 AMI - the ‘pre Toyota’ company

The pre Toyota company – Australian Motor Industries (AMI) opened its Port Melbourne factory doors in 1952 the only surviving part of the Standard Motors company which had succumbed to financial demise after failing to anticipate the level of competition and rate of change it would face in the mid to late 1950’s. Assembling for Triumph, Mercedes Benz and Ramblers, AMI was successful until the 1961 financial crisis, when again it reached the very edge of the bankruptcy precipice (Automotive Intelligence Yearbook 2013). Adding to the competitive forces there was also a significant number of model changes released by competitors (Conlon & Perkins 2001).

AMI had a history of conducting assembly for several other companies including Mercedes cars and trucks, Triumph’s Herald, American Motor’s Ramblers, but the competition from Ford and Holden proved too fierce (Conlon & Perkins 2001). Part of their lack of competitiveness was that AMI were being dictated to about what models they could assemble by overseas companies, and what these companies were prepared to ship to Australia (Davis 1999). This was unfortunately much of the time not what the Australian market considered it needed or wanted.

The perception (and in some cases the reality) of inefficiency and poor quality was well ingrained in the psyche of the Australian public and government by this stage. Indeed the Japanese manufacturing methodologies were coveted as a solution to improving efficiency, acknowledged in a letter to Robert Hawke, President of the Australian Council of Trade Unions (on 30th October 1975) Vehicle Builders Union stated:

The Japanese have undertaken to enter plans as manufacturers. [The method of] calculating the local content a company average basis....is a considerable concession to the Japanese. The duty concessions given to
the Japanese during the period of their entry... will accelerate the re-
structuring of the industry with all of its consequent unemployment problems.

Pressure from the government, a poor quality product, changing clients and few
technical developments left AMI on a rapidly precarious financial footing. Without
Toyota agreeing to license AMI with the assembly, AMI would have collapsed
entirely. Indeed they were on the edge of bankruptcy, with Toyota their last hope of
continuing.

In a last ditch attempt to save the company, AMI executives were able to secure the
assembly of the Tiara for Toyota Japan in 1963 (Davis 1999). This assembly was
the very first of the Australian assembled Toyota cars to begin at AMI. In 1964, an
AMI employee returned from an 8 week training program in TMC Japan with the first
CKD (completely knocked down) training certificate issued by TMC Japan (Davis
1999). It was at this point when AMI started to adopt some of the Japanese
production methods, hence it was at this point the organisation attempted to start to
actively try to change its culture under the indirect influence of Toyota.

Hence AMI was characterized by the degree of financial woes and chaotic, reactive
responses to the pressures under which it operated. Given the environment of
increasing complexity, financial pressures and unrelenting adversarial tensions
between Unions and Company, Company and Government, AMI seemed inherently
unable to align its internal culture with the external environment. Following rigidly
the traditional, mechanistic thinking associated with the Tayloristic American mass
production style it was consistently unable to respond to the pressures it faced with
any long term effectiveness. Although the government had mandated import
restrictions to aid the industry, the frequent closures, mergers and bankruptcies lay
testament to the difficult nature of this labour intensive, dirty, and highly competitive
industry (Davis 1987).

Whilst for AMI, the question of Toyota coming on as a client was one of economic
life or death, for Toyota, the question of coming to Australia as an assembler or
manufacturer was already made. Toyota wanted volume, and with the import
restrictions and assembly mandated by government manufacturing rules buying in
was the only way forward. The question for Toyota was if it should establish a
greenfield site, or license an existing manufacturer. Given the anti-Japanese
sentiment, difference in language and relative cost, it can be deduced that licensing
was the lowest risk, with the highest likelihood of return. It gave potential for a
longer term solution, as developing a new site was still possible, but licencing negated exposure. It was also their first step into an English speaking country, removed enough from Europe and America to save face if there was disaster.

According to Hideyo Tamura (Toyota Japan quoted in Davis 1999, p 79) the decision to assemble cars in Australia was an opportunity to try expanding their manufacturing business, whilst limiting risk:

It was our first step into a westernized country... We got the confidence there that our production system worked overseas. Had we not succeeded in Australia we would not have hand the courage to go further.

Additionally, Toyota were ambitious, they had a goal of 10 per cent market share, worldwide, as explained by a former board member and long-time employee (Interviewee 4, former long term employee and board member) when asked why Toyota came to Australia:

Because they had worldwide ambitions of global, global 10. They call it Global 10 which is they want a 10 per cent market share globally by the 90s.

The number of potential partners for Toyota to align with was small, as the number of manufacturers was limited; and the number of manufacturing companies with capacity and capability smaller still. AMI was the obvious choice, and although their dire financial circumstances rendered them a greater risk, it also affected the power balance to undermine AMI and render AMI more transparent more susceptible to being directed by Japan, but in a fashion that was neither direct nor obvious. AMI were aware that without Toyota there would be no company, so to this extent they were not in control of their destiny, but Toyota was. This sentiment neatly and indirectly established deference to Japan, and allotting Japan the role of ‘saviour’.

It wasn’t until 1968 Toyota took a 10 per cent equity stake in AMI, along with British Leyland and American Motors (Davis 1999). It is important to note that along the way British Leyland Motor Corporation fell into financial difficulty and needed to sell their 39.9 per cent in AMI, which Toyota subsequently bought after negotiation in August 1971, giving Toyota a 50 per cent stake, not enough to control the company but enough to show confidence (Davis 1999).

In 1972 Thiess Toyota also purchased AMI shares, whist Toyota Manufacturing Company Japan (TMC) & TMS (Toyota Motor Sales Japan) bought 20 per cent
each in the Australian company Thiess Toyota, consistent with the system of *keiretsu* a Japanese business practice where companies demonstrate their interdependence by purchasing shares in their stakeholders (Davis 1999).

Thiess Toyota’s purchase of AMI shares however caused a significant degree of undisguised antagonism as they attempted to secure the remaining 50 per cent of AMI (Davis 1999). Unfortunately as the result of a misunderstanding Thiess Toyota thought they were acting with the agreement of Toyota Japan, but were not and a degree of disruption occurred in the relationship. Toyota distributors from Western Australia (Stan Peron) and New South Wales (York) became concerned that a single distributor (Thiess Toyota) would own the remaining 50 per cent and also organized for their broker to purchase AMI stocks to arrest the Thiess Toyota advance on AMI, purchasing a 19.9 per cent stake the company (Davis 1999).

Indicative of the view that manufacturers were merely ‘the hands’ of an operation, as opposed to ‘the brain’, the AMI board was not advised of the intention to launch the takeover by Thiess Toyota and again AMI were both out of control of their destiny and at the mercy of what was a lack of communication. This lead to a high degree of enduring friction between AMI (Melbourne) and Thiess Toyota (Sydney based).

It was throughout this period of uncertainty that the Ken Houghham, Managing Director of AMI cemented his position and created a bridge of sorts to cement Toyota’s relationship with AMI.

Recruited to stave off the financial crisis in 1961, Hougham was described as dictatorial and autocratic (Davis 1999). The AMI Managing Director had the belief that quality and reliability were paramount, which was consistent with underlying belief system at Toyota (Davis 1999). He worked effectively with the manufacturing staff, and saw value in walking the line to gather his information first hand from the operators on the factory floor, which was again consistent with the Japanese methods demonstrated in their philosophy as outlined by Ohno (1988) “Genchi Genbutsu” or go and see with your own two feet. He looked upon the company as what he could give to it, not what he could take and this was also consistent with and considered favourably by Japan (Davis 1999).

Hougham went some way to bridge the gap between the Australian workforce mentality and the Japanese. His values were consistent with the ‘Toyota Way’. He traded on his relationship with the individuals involved from Japan, he was actively
and symbolically avoiding the waste of resources and particularly money (for example travelling economy rather than first class, being cost conscious, setting an example to all employees). Hougham kept a high degree of operational knowledge about the work force and the actual work so could speak knowledgeably and convincingly about the challenges faced. His capacity to create confidence in the minds of the Japanese was clear. Hougham was described by a former senior manager of Nissan (Interviewee 10) that he:

…typified what I consider a key success on the Japanese in Australian management.

Being autocratic also meant he was predictable, provided structure and gave a sense of certainty in an unstable company operating in an unpredictable environment, so for the employees this reduced the degree of uncertainty. He walked the line, to cover every aspect every three days, which contributed to ensuring that those employed, were acknowledged, and also kept busy (Davis 1999). The idea that he spent time with production was a positive for the staff in terms of recognition as the work was physically demanding, dirty and dangerous. Workers who were there were not there out of choice, more the need to survive, so recognition was welcome. However the act of walking the line so regularly was in and of itself demonstrative of his controlling nature. Those who were not perceived to be contributing to the organisation were smartly exited (Davis 1999) - a direct example of exclusion of those who do not operate under the rules of the organisation.

3.3 The AMI (and AMI Toyota) discourse – paradigm & hubris (organisational identity)

Consistent with the paradigm of manufacturing, the Australian national culture and reflective of Hougham’s style AMI (and subsequently AMI Toyota) operated in a mechanistic, modernist paradigm. Measurement was in numbers of items produced with a certain acceptable variance percentage, and the existence of the union as a directly opposing force that competed with, and in the same space of the company discourse in a linear dialecticism. The core assumption being the two opposing forces, would balance each other.

AMI had experienced historically intensely acrimonious relationships with many of its stakeholders. The hubris was borne of physical will; the cognitive bias was for
predominantly short-term focused, insular and reactionary action. The adversarial nature of the unions, the unrelenting economic pressures and government policy, dealers who were unable to sell fast enough for manufacturing production to be viable, competitors backed by international companies and changing technologies all contributed to the significant lack of ability to which AMI and then AMI-Toyota seem to have been able to direct their own fate.

Having been bankrupted and starting again more than once, production numbers drove the business, and belief was that the production line must always be moving, irrespective of any cost (human, financial or otherwise). Company survival existed on the barest of margins, and any advantage the company could take over the use of its resources (including the human variety) it took. The multiple unions conversely at this time, were highly cognizant of their power over production capacity and capability as they were very aware of the management imperative to keep the line moving. Positioned and recognized as the protectors of their members (and therefore their power base), various unions competed with both the company and other unions for recognition of their action on behalf of members.

Toyota has been universally acknowledged as ‘the business saviour’, without which AMI would have been bankrupted again (Davis 1999). Given Toyota’s history of skilled information gathering and careful examination of details, it is clear that they were aware of AMI’s financial position. As a manufacturer AMI Toyota were barely treading water. As a licensed distributor AMI Toyota sales figures were poor. Additionally, they were held at a distance from their minority owner, Toyota although still subject to Toyota’s standards and rules to the extent that Toyota prescribed. This lack of control had a fundamental impact on the dominant logic of the organisation, and the way they were recognized by their environment. Described by Interviewee 4 (former long term employee and board member):

AMI, without being disparaging, were languishing, very conservative, manufacturing based mentality.

Add to that the competing discourses within the company. Operating competing discourses inside the organisation were between ‘management’ and ‘unions’, and outside between company and government; the challenging economic forces from its inception shaped a culture which was short term, linear, and task focused and limited in its capacity to operate. It is perhaps best typified as a combination of defensive tactics, which combined with a with a degree of learned hopelessness,
enabled the union discourse to cement itself as not only a valid and recognizably distinct discourse but one which ultimately eventually was allowed to expand beyond its usefulness and practicality (as discussed below).

3.4 Recognition at AMI & AMI Toyota

The process of recognition of the competing discourses within AMI and AMI Toyota was an overwhelmingly linear. Methods of recognizing or identifying, aside from the literal visual interpretation of the symbols of power such as for example office size, or ability access to areas, were centred around the ability to control manufacturing outcomes either directly (management control) or indirectly (deliberately slower maintenance responses, strikes etc.).

Recognition rested on the core assumptions which underpin the Taylorist paradigm which had been adopted at AMI/AMI Toyota. Production workers were paid to be in a department and to complete the tasks they were appointed to do, repetitively, until their shift ended unless they were required for overtime which was directed by their supervisor. Production workers had little control over their situations, and complaining about safety or needing time to use the toilet had the potential to fetch punishment from the foreman hence many endured in silence, though some reported safety issues to the union, most out of fear of reprisal remained silent according to organizers reports, particularly passionately argued by Con Zaglas 12th March 1976).

Recognition of position was a key assumption. That is, for all workers their position was limited and defined as attached to a machine or department, time was dictated by the shift of which he (as they were an overwhelmingly male workforce) was assigned. The narrow band of works that the worker was required to perform was defined by his position, so for example a spray painter in the Paint Shop was just that. A production worker assigned to a machine was just that. A quality control person assumed the role of ‘enforcer’ in defining what could be ‘released’ or allowed to move on to the next stage of production or to the dealerships and what could not, based on parameters that were defined by the company.

The basic assumptions around the union seeing its role as operating in direct opposition to the company were accepted as the way things are done. When any company initiatives were introduced it was assumed that they were designed to extract more from the human resources, and therefore must be universally resisted,
arrested. It is this resistance which provided an opportunity for the unions to demonstrate their value to their members by providing demonstrative and overt opposition. Preventing the onslaught of management directives which sought to take undue advantage of workers, protecting jobs, ensuring pay increases and championing safety was the role of the unions. By banding together with the union the workers had protection and a voice that was far greater than that of an individual, and the greater the numbers the greater the power. Highlighting the differences in the discourses, to unify the employees against the common enemy, a 1980 notice from shop stewards to workers at AMI Toyota, called for solidarity as it was

…vital for the success of the struggle against the vicious management style of this multi-national, which is obviously trying to maintain Japanese Industrial Relations in Australia.

The management was dealt with by the employees and therefore unions out of fear and suspicion. The unions for their part were treated by the company as a deliberately disruptive discourse, and they demonstrated their power to the company and for the workers. It was accepted that the company and union discourses were disparate, distinct, separate and dedicated to direct opposition, at the same time in competition with each other and existing in a symbiotic manner so the layered dialectic of opposing forces in the same space was balanced by a recognized need for both and hence validated the arrangement.

In summary the two discourses were accommodated under a dominant logic which was linear and mechanistic, with clear and rigid work boundaries existing to delineate with regard to roles of individuals and organisations and power was either physical (based on the ability of the individual to fight) for formal (based on the position title).

3.5 Masculinity was the allowable focus, and it was reflected in physicality, competition and protection.

Masculinity and the adoption of masculine values such as competing, physical fighting, aggression, and overt displays of strength were celebrated, albeit slightly differently by the two main discourses of management and unions. Due to the degree of recognition which had been associated with success in jousting for advantage and power, recognition itself had become a key goal of all discourses.
3.5.1 Recognizing physicality – the main discourse:

Under Taylorist methodology, the main discourse seeks to exclude the unique aspects of one’s character favouring the skill set that one can offer in conjunction with the position appointed to, and the same can be said for acceptance into and participation in the main discourses. At AMI & then AMI Toyota the paradigm was geared towards competitiveness and transactional behaviour, not quality of life for the individual. The workforce was considered a resource, to be used as the company needed. Casuals were used and dismissed as needs be, production workers were considered unskilled labour so were recruited with little or no training onto a fast moving line where they would either ‘sink or swim’. Those who sank replaced by the next pair of ‘hands’ and treated as mere cogs in the bigger wheel. The safety record was below the contemporary industry standards according to several union documents including a 1980 report on the ‘struggle of workers at AMI Port Melbourne, and report from Con Zaglas dated 16th March 1979 and a shop stewards notice from 5th August 1976, and although consistent with many operations from that time it would be considered illegal if measured by today’s standards.

With regard to company discourse, physicality was identified as the primary, essential criteria for workers. Moving quickly, lifting heavy items, operating repetitively in difficult physical conditions whether hot, unventilated or unsheltered and cold, the production line was the clear priority over any human need, a hungry beast that must be fed at all costs. Hence higher degrees of physicality and tolerance for stress were recognized as valuable, and rewarded with promotion both within the company and the union (Holland 2014). Complaints, speaking out, questioning experts or hindering production were activities recognized as being punishable either by direct social exclusion or indirect such as demotion, as evidenced by the union organisers reports such as evidenced by Con Zagles below.

3.5.2 Recognizing physicality – the union discourse:

Physicality was also identified by the union as a primary essential characteristic, as disputes would often translate into a physical fight. Physical violence was not uncommon, partly as a result of the nature of the Australian dominant logic at the time and partly because it was an expectation that as a union representative one would be at the receiving end of some form of assault from Police breaking picket lines or company hired security guards, and indeed at times one might be expected
to engage in assault for non-compliant members. Interviewee 32 (former union head) explained:

[the security guard] was not too kind to some of our people on the picket line. He used to go in of a night and go into the toilet and get them in the toilet and give them a beating and stuff like that.

Exemplifying this, a union organizer Con Zagles reported the following in 1977, when he had gone to attend to the working conditions being untenable (outside the temperature was 39 degrees Celsius, and inside the ventilation was poor):

I spoke to the men inside, and as I was walking out towards the gate when the Personnel Manager Mr. Morrow pushed me while he placed himself in front of me, thus restricting my movements. Whether this provocation was intended to provoke retaliation in order to give the police the opportunity to press charges or not, I don’t know, but it looked very much like it. At this point of time, two police without coats escorted me outside. The argument of the management is that I tried to create a riot. This is not true.

To continue in this manner, as the epitome of masculinity the union representatives would be rewarded with re-election and or promotion within the union, and the prestige and power associated with such positions.

This meant for example that a large, intimidating man who had sustained visible bruising was recognized as ‘fighting for the cause’ and ‘protecting members rights’ and such individuals would be applauded by the members and rewarded by the union. Further recognition would come in the form of re-election to that or a more senior union position. For the role of shop steward or union delegate, validation was often in the form of information and knowledge, which helped to build and maintain a position of power. This combined with the core assumptions of the union regarding its role as protector fostered a union discourse centred around being the ‘patriarchal defender’, which in turn reinforced the beliefs that by banding together afforded greater control over the future state (preventing the company taking too much advantage) as well as offering some physical protection. Additionally the greater masculine physicality yielded degree of control over the constituents, so if an individual were not to join a union, or if they were to speak out publically against the union views, this would of course lead to punishment which was often physical, and easily able to be doled out by the union official (Holland 2014).
3.5.3 Competing to foster recognition, and prove value – the union discourse:

Demonstrating the separation of the discourses (management and union) was one consequence of competing, as was highlighting issues of safety and member protection, which created disputes with the main discourse. This in turn helped to maintain awareness of the presence of the union and its power to compete with the main company discourse to achieve its aims which were centred on the protection of its members. When the company attempted to thwart the union the opportunity to operate this way, the union recognized that even the company’s attempt to do so was another way to demonstrate the company’s attempt to undermine the workers.

On the 30th August 1971, R.B. Morrow (Manager Industrial Relations at AMI) wrote to C Jarrad (Victorian Secretary VBEF) stating that because of the union organizer’s …attitude toward this Company, and because of complaints from supervisors, and my own observations, I am sure that he seeks to create a dispute. His entry into this plant will therefore, be restricted to the right of entry provisions under the Vehicle Industry Internal Award.

The disbaring was celebrated and the organizer in question went on to organize for another 8 years.

The assumption existed that that this competition was necessary to maintain balance. Exemplifying this point the depth of sentiment and desperation at the conditions in a 1980 notice from shop stewards to workers at AMI Toyota sought to encourage the

…the vicious management of this company that violates elementary human rights, the right to work without oppression, the right to union organisation, the right to work without fear of victimization, and the right to work under safe conditions.

3.6 The geographical location

The geographical location of the AMI factory in Port Melbourne was right in the dockland area, and although inner city now, then there was no public transport initially, hence buses ran from the YMCA hostel to AMI (Davis 1999).

The dockland area itself was a hotbed of corruption, smuggling and illegal drug trade, wars erupted between loosely organized crime groups and union factions
who controlled the import and export trade of the Melbourne port from the 1930’s to the Beach Royal Commission in 1975. The resultant bloody and barbaric confrontations, and up to 40 murders that occurred during this time serves as testament to and enabled the (e Melbourne, organised crime) the militancy of the unions. This violent militancy had dissipated by the 1990’s for most unions, however for Toyota this identity of committed militancy has existed and maintained its own identity in an enduring capacity right into the 2010’s (though fortunately sans the violence at least for the most part in the most recent 25 years).

Workers seeking protection from management or more physically threatening groups joined unions, and the location in close proximity to the docklands reinforced physical violence as not only a method of settling disputes but considered a necessity for social order at the time, as well as an effective use of power reinforcement or redistribution (Holland 2014).

Regarding the nature of geography, significant contrast is made between AMI/AMI Toyota and Toyota Japan. It is also worthy of note that in Japan their geographic location of their original Nagoya site demonstrates Toyota’s isolation, which in the formative years fostered several aspects of their dominant logic. Innovation was born of necessity as the flow of information from the main cities was unavailable at speed in the 1930’s and 1940’s. The isolation and depressed economic conditions also meant that employees were at the mercy of the company, affording the company a disproportionally higher degree of control as compared with the major cities. Over the formative years, Toyota exploited the Japanese paradigm to cement this level of control. One example of this exploitation was the writing of reports on employees and forwarding these reports to employee’s parents in the 1950’s, to force employees into submission (Cusumano 1985). Combining a mild superiority complex, an unbending commitment to achieve, and a paradigm that assumed a degree of absolute control existed over the workforce, Toyota arrived in Australia to rescue a languishing company, save the face of its name (as it was AMI Toyota), and assumed that Australian workers would be grateful, particularly as the Australian Government had invited and encouraged them to come.

3.7 Collectively experiencing a lack of trust

The precarious nature of the company finances lead to threats of closure, but the repeatedly threatened cessation of the plant did not eventuate. Indeed Toyota had purchased the 50 per cent stake in 1971 (Davis 1999). Whilst it may have
appeared a demonstration of faith in the future of the Australian company Toyota did not maintain a controlling stake. Although information was shared between Toyota’s Japanese plants, and many of the Australian representatives were hosted in Japan, the sense that Japan was holding back promoted a degree of distrust which was to permeate the relationship even after Toyota took complete ownership. Interviewee 3 (former Toyota manager) commented:

..Because they didn’t really own us as such when you went to Japan and asked questions you always felt like you never got the proper answer to these questions.

Aside from the anti-Japanese sentiment, the idea that certainty, security, protection and therefore trust could only be provided by union membership was also a platform on which the unions stood. Highlighting the difference in trust – the belief that the union would protect members and the company discourse sought to undermine its workers, is demonstrated in the depth of emotion and desperation detailed in a 1969 report from Carl Zaglas (union organizer at AMI). He clearly indicates the nature of work, lack of safety and turnover rate was staggering, because the number of people resigning each day was equivalent to the daily resignations at Ford, a site that was 5 times larger. He says at AMI:

They treat their employees as robots and if anyone complains against the numerous injustices that take place he or she is victimized.

The agitation from the union stewards for action is significant, as they had begun to actively garner support from the AMI workers, drawing formal battle lines and offering the company as the common enemy, and pointing to threats the company had made regarding closure as ‘tactics’.

Change was beginning to trickle in however, and it was from the early 1980’s that the elements of Lean, known as the Toyota Production System (TPS) were attempted to be metered into the factory, in a more systematic way. At this point the realization was made that the wholesale acceptance of Lean meant acceptance and internalization of this Lean company discourse. The problem for the unions was the new discourse approached with an air of superiority, sought to gain more from the overburdened workforce, and sought to adopt the role of paternal protector, which directly competed with the position that the union had identified as its own role.
Taking this a step further, acceptance of the TPS or Lean, implied not only that the union was not required in its current form, but additionally that the new company discourse could provide superior protection. To acknowledge the validity of the new company’s methods, to allow the TPS discourse to exist without legitimate competition would mean a new paradigm, the union would be failing to protect workers from outright domination from the company. Adopting Lean meant there would be no traditional forms of recognition, and therefore the demonstrated need for the unions would eventually drain away, coinciding with power dissipation, they would disappear eventually. This would hand the entire domination of the employee to the company, yielding entirely disproportionate power at the employee’s expense. Hence distrust was further infused by the notion that the Lean philosophy sought to overtake and consume, potentially causing a drastic lack of balance.

3.8 AMI Toyota becomes Toyota Motor Company Australia (TMCA)

Toyota Australia (TMCA) is often treated as a stand-alone entity in the research (e.g. Sohal, Sampson & Ramsay 1994, Sohal 1996, Power & Sohal 2000), which neglects to understand or quantify the rich history that yielded the conditioning and belief system that existed. In 1988, when Toyota took a majority stake and enacted its plan to fully control operations, this was another juncture in the continued story of a set of discourses, and the commencement of a new one.

It should be noted also that in Japan, the paternal nature of organisations is well documented with lifetime employment and compliant, company loyal workers characterizing the workforce (Tsuruta 2004). The Japanese expertise as far as the concept of Lean manufacturing is also well documented as discussed, and it is for this which Toyota is the most frequently examined, and documented as an organisation. This process in itself serves to reinforce the strength and superiority of the organisation in the collective mind of Toyota and those who seek to imitate.

3.9 Changing company identity

The incoming discourse from Japan assumed erroneously that the belief in Lean had been entrenched for some time. The TPS had reportedly been implemented to some sort of extent; hence the unification of the company was to be enacted. Historical rivalries were to be eliminated under the banner of Toyota. Sales and Marketing (having arisen from the Thiess Toyota distribution in Sydney) and Manufacturing (AMI Toyota in Melbourne), all would work as one, now that the
'parent' had announced itself. Such was the belief of the incoming discourse as it arrived to establish its place as the discourse, not to compete or persuade, but to become.

TMCA as a discourse has been the subject of previous study. Sohal, Sampson & Ramsay (1994) completed a case study on TMCA. Sohal et al (1994) also drew attention to the social, cultural and economic disparities of Japanese and Australian manufacturing environments, underlining that Toyota Japan enjoy a more homogeneous, disciplined, stable labour force, with a strong economy, and a solid exporting history with a large market. This is compared with the Australian environment characterized by the multicultural work force, relaxed attitude, lower skills, greater labour instability, smaller market and economy which is predominantly used to importing.

Toyota Australia’s front line leadership (Liu and McMurray, 2003) and the ways that transplanting ideas create discourse that varies from the main discourse (Jones & Liu, 2005) have been reported on; however it has not yet been examined though the lens of cultural change or accommodation. Indeed how this change has come about, and if change has descended below the level of rhetoric across the organisation or just in parts has not been examined in this manner.

3.10 The Toyota Paradigm

Toyota is often recognized as being a highly ‘paternal’ organisation (e.g. Kamata 1983, Tsuruta 2004). This is borne of societal values and historical shaping that lead Japan to be considered a collective culture (Hofstede 1994) or a culture who believes the fate of individuals is tied together, therefore they must act with the group in mind, potentially at the expense of one’s own individual agenda. In Japan the underlying assumption is that the company, in its role of provider and protector is ultimately responsible for the individual, and therefore to ensure harmony the individual submits to the will of the company, placing the company needs ahead of the individual.

Based in the same philosophy as the TPS – ‘to pull rather than to push’, once the ownership was clearly established in 1988 the trickle feeding of Lean production techniques became a waterfall, and one of the more obvious and immediate changes was to entrench the idea of ‘building quality into the line’, a process which is fundamental to the concept of Lean production.
Toyota for their part possessed a dominant logic that assumed over time it would become the discourse. Hence it did not compete, as to compete would acknowledge the existence of the possibility of ownership. Rather Toyota persevered patiently and quietly, typical of the Japanese paradigm. The union discourse, with its roots in completion for recognition and identity were operating from a completely different perspective. In this case, the union recognized the need for competition, the incoming discourse did not. The following example from Interviewee 7 (former union shop steward) highlights the differences in perspective, and the ingrained belief that centred on continued competition to maintain the union discourse:

Japanese methods are like … I think obviously they try to adopt how they operate at TMC Japan, the parent company… For example; for more recent times they want to introduce hard hats in one of the plants. Now that was disputed for many years. Now they couldn’t understand why we wouldn’t just do it because they are the boss and they told us to do it and give us a good reason to do it and we’ll do it…It was more about; I don’t really want to wear it. So it was more about do you want us to wear it because you’re concerned for our safety or do you want us to wear it because the Japanese told you to tell us to wear it and it was really … if that’s the case then we’re not Japanese and we’re not going to wear it. It was more about being in control of who you really are and yeah a bit of game played there.

This is contrasted against Toyota’s universal perspective of it being the expert, parent, benevolent dictator, Interviewee 4 (former long term employee and board member) explained:

They [outsiders] don’t understand the ways and means of how this wisdom that’s contained the DNA in every level is done at every single outlet, and if it doesn’t work the first time, don’t worry, we’ll teach.

What becomes evident with the statement is the absoluteness with which Toyota foster the sense of outright superiority & expertise, and the idea that if one fails to understand and to believe unquestioningly in such inescapable conceptual logic, one is deemed wrong, becomes labelled an outsider, and is punished by exclusion.
3.11 United Australian Automobile Industries (UAAI)

Founded in 1987, just before the majority stake was enacted was UAAI, a joint venture between Toyota with General Motors Holden in Australia (Russel & Cohn 2012). Prompted by government pressure to rationalize the industry, it was a model sharing program, encouraged by the Button Plan and brokered in part by Senator John Button in order to continue General Motors Holden’s presence in Australia, as they themselves approached bankruptcy (interviewee 4, former long term employee and board member). The arrangement subsequently concluded in 1996, but it was based on each company building a model and either selling the model or rebadging the model with the other company’s logo and some minor cosmetic changes. Hence General Motors Holden built Commodore models and rebadged some as Toyota Lexcen models, Toyota built Nova models (based on the Corolla) and Holden Apollo models (based in the Camry) rebadging them as General Motors Holden (Russel & Cohn 2012). Both companies engaged in information sharing with regard to production methodology but maintained a degree of separation with regards to marketing (Russel & Cohn 2012).

Consistent with Toyota being cast as the business saviour, the reason the relationship was arranged with General Motors Holden was according to Interviewee 4 (former long term employee and board member) because General Motors Holden:

were bankrupt and that they were leaving Australia but the joint venture saved them.

Concerned for the debt General Motors Holden were carrying, Toyota appealed to the parent company, General Motors Interviewee 4 (former long term employee and board member) saying:

..the Japanese said, well we won’t marry GM because we won’t marry a bride who’s got AIDS. So forgive the debt, the aid was a $AUS700 million from memory. GM said yes. So the joint venture started no debt.

This joint venture was significant for a number of reasons. Toyota had purchased the land in Altona in 1971 (Davis 1999). Under the Button Plan they knew they would need to manufacture at volumes, and export in volumes, so distribution to the Arabic region as a market was afforded to Australia and Altona was offered to the joint venture company.
As explained by Interviewee 4:

...under the Button plan, we need a new factory. In order to get exports I will give Altona the Middle East volume and we’ll ask the Australian producer to build a factory, build the Camry and export it.

General Motors Holden declined Altona, and what eventuated appeared to be a lopsided information sharing arrangement, with General Motors Holden appearing to glean more advantage from the arrangement, amidst a ferociously acrimonious relationship. What actually happened was somewhat different, according to Interviewee 4:

This is an exercise in respect; cunning, competitive advantage all to a satisfactory outcome, a very difficult situation…

Hence Toyota (business saviour) appeared to be rendering assistance to General Motors Holden, rescuing them from the brink of disaster. The joint venture, though it did not meet projected expectations was still marginally profitable, but unworkable. The two discourses of Toyota and General Motors Holden unable to bridge the divide that was characterized with acrimony, competition and bitterness. This is best described in the words of Interviewee 4, participant in the business outcomes, which is also demonstrative of Toyota’s capacity to always be cast as superior:

UAAI was profitable over all. So along the way come with an idea to build a new Camry which was unprofitable in the new factory which is going to cost 450 million. These guys said get a life, they just opposed everything, so this was deteriorating.

So what happened? Skilled Japanese allowed the relationship to continue on, doing everything we possibly could but watching the deterioration…. So harsh was the feeling that this was starting to disintegrate, it couldn’t make any decisions, so a divorce was necessary.

This side [being Toyota] said nothing, allowed this [being General Motors Holden] side who had gained experience, who had gained money to be the first speaker and said, okay time to separate. Oh really? What about the dowry? So settlement was made [between General Motors Holden and Toyota]….Altona was going to be built outside the joint venture.
Miraculously, the settlement …. [from GMH], happened to equate to the cost of Altona, tax free.

Toyota also agreed to take over the General Motors Holden Dandenong site, yielding them three different sites across Melbourne, and in the Australian reality, another discourse to compete with. The workers at the GMH Dandenong had been told as a result of the closure of UAAI that consequentially the Dandenong factory would close. Hence the workforce were assuming that they were about to lose their jobs, but would be compensated financially with significant redundancy packages. Then Toyota announced it was taking over the factory, assuming workers would be pleased to keep their jobs, but they were not. Redundancy was linked to length of tenure and as the average tenure was long, redundancy packages were significant. The idea that this lump sum money was no longer coming left the workers angry and upset, particularly those who were in line to receive significant monies. Described by (former union head) Interviewee 32:

General Motors was going to close the Dandenong plant. We’d had several meetings and they all agreed on the package. Then I get this phone call that says why are all those Japanese walking around the plant? ….The resistance was here's this package, it's going out the door. I addressed a mass meeting and said, “I've got great news, the plant's staying open” and they said, “Well stuff you” and I said, “Well stuff you too”. So there was enormous resistance to that. There were some people that actually had planned their retirement based around that package and had moved house and all that type of stuff, so we addressed that, we went through all that and fixed that.

A committee was established to allow individuals to apply for redundancy, but the lack of trust in management or company to follow through was ingrained in the Australian psyche, as has been demonstrated above, so this was perceived as another example of the unreliability of company management, workers needs being sacrificed for company imperatives.

3.12 Company unification

Adding to the complexity of the accommodations, there was: the main discourse (incoming), the former AMI-Toyota management discourse, the former Dandenong management discourse and the associated union discourses.
Other key assumptions from Japan include the willingness of any workforce Toyota commands to operate as a single entity, placing the needs of the community (and therefore the company) ahead of the individuals’ own. Hence for example their company controlled enterprise union in Japan is considered a demonstration of acceptance, trust and recognition of the paternal nature of the company - to be responsible for the individuals. This mutual trust is based on the idea that an individual submits to work for the company doing any task, and the company for its part will maintain employment for that worker for the life of the worker (Likert 2005).

A notable example of this belief is once it had been established that the company would move all manufacturing operations to Altona to be housed under the single site, the belief existed that this system and process change would unify the manufacturing group. Hence by assembling together the boundaries would be eliminated to allow the flow of production, information and energy that was espoused to exist in its other sites. In discussion with the unions, Toyota had identified that in their experience (or cognitive bias) a single union was the best arrangement, as a single union was a reflection of unity, the perception was it would be easier to control and more similar to the arrangement in Japan. Indeed in their initial meeting with the union regarding the move to Altona, they stipulated their “Key elements for the Human Resources strategy for Greenfields site” and included points such as:

- single union coverage with and enterprise focus

and

- Construction of new facilities to be free of industrial difficulties.

The belief existed that this new ‘system’ of singular enterprise unionism and singular site as well as the underpinning physical change in process was the key to bringing about the changes needed to unify the manufacturing workforce. That is the demonstrated and accepted dominant logic of Toyota.

3.13 Attempting to achieve a single union site

In the case of TMCA, whilst the 1950’s and 1960’s had seen the emergence of many unions, by the 1980’s multiple unions competed with each other for both members and recognition, the smaller unions having to merge with or be absorbed by larger ones, although the Vehicle Builders Union covered a majority of the
workers, there was also the militant unions, such as the Electrical Trades Union or the Metal Workers Union covering trades people.

The industrial relations system in Japan was fundamentally different to Australia; hence Toyota’s paradigm when creating TMCA was completely different to the actual belief system that existed in Australia. With a history of dealing with company based or enterprise unions (which were controlled entirely by management), one of the acts of unification Toyota insisted on attempting was the idea of a ‘single union’ site. An agreement was struck that the Federal government was to arrange a single union, to cover the entire Altona site. Working with the Japanese industrial relations paradigm and with the knowledge that Australia was desperate to maintain its industry and increase its efficiency of which Lean was a key aspect indicates the assumptions made by the parent company, which were evidence of their dominant logic. The underlying assumption was that the single union would operate as an enterprise union.

According to Interviewee 4:

... we need one voice to talk to our labour force, not three, nor four, not five because the demarcation issues, the political infighting, all the matters that you’d be familiar with is a huge issue. It kills flexibility, we need flexibility. In Japan Toyota see 11 factories. We can move workers. If the Corolla factory is quiet, Land Cruiser, move the worker. We can’t move in so easily between stations.

Hence coinciding with the move to Altona, an attempt was made by the Federal Government to enact a single union agreement at Toyota’s request. The Australian Manufacturers Workers Union (AMWU) was the chosen union to be the single coverage, and as the result of the merging of the Federal Vehicle Builders Union with other unions, the AMWU was a substantial force.

This assumption by the Toyota discourse that a single union site would be unified and more akin to an enterprise union was fatally flawed, because it failed to take into consideration that the union had long operated on the belief that their power rested on a constant degree of agitation and resistance resulting in recognition. Multiple unions meant power was distributed. A single union (or two who supported each other unequivocally as which was what actually transpired) meant power was consolidated into a significant force. And this power was dedicated to oppose.
This union force understood that their capacity to create disturbance to gain recognition and therefore power was essential to their existence. As discussed the dominant logic of the union movement was to protect its members by opposing company strategies which directly impacted its workforce, based on the assumption that at the core of the company strategy it sought to take advantage or risks that could directly, negatively impact the workers (members). To retain prominence and remain in its current form as protector, versus to lose its identity and disappear, the union not only needed a constant presence but a platform from which to maintain its recognition, which underpinned its value and legitimacy. With historically proven success using this strategy of consistently raising issues and grievances to cement recognition from company and workers to gain recognition and cement power, concentrating all the union forces into one created a super union to oppose and work against unification. The new discourse failed to understand and by virtue of lack of recognition of the opposing force it accommodated and encouraged this belief system. So although Toyota believed it was patiently waiting for change, for the Australian discourse to ‘realise’, actually the reverse was true, and the union cemented their position.

According to Interviewee 7 (former union shop steward):

...because in my union years I’ll be quite frank with you for a good 8 years I didn’t hold down a process. My full time job was catering to employees needs and giving the company a hard time basically.

Most significantly to the lack of accommodation of the discourses, the position of the union in its role of ‘paternal protector’ was not recognized by Toyota. This is because the Toyota paradigm was not only about assuming the role of paternal parent, but also about being the discourse, owning it so completely that there was no need for an alternative discourse at all.

Hence Toyota’s cognitive bias or the new discourse which sought to occupy much of the union space in terms of protection, and was attempting to occupy the same space as the union. Toyota did not understand the historical significance of the union position, or that in their attempt to be the discourse it excluded any other discourse from existing legitimately in the same space. Not to understand, acknowledge or recognize the value proposition of the union historically as an agency of protection and organisation in its own right was to not understand the operating environment, or the history and the Australian psyche. Against a
discourse that was rooted in distrust of company management and competition as a fundamental method of existence, this became a significant problem.

3.14 The incoming discourse fails to recognize the past

Under the new regime, the recognition of masculine physicality, competitiveness and outspoken argument was not validated or rewarded by the incoming discourse. These behaviours were met with silence, which from the Japanese perspective is a form of non-validation and therefore discouragement. It also served to confirm that the Australians were ‘a non-compliant’ and ‘ignorant’ workforce, who did not demonstrate the level of self-control and commitment of the Japanese workers, demonstrating the Australians inferior, and in need of training as far as Toyota went. The Australian workforce did not see Toyota was both the ‘father’ and ‘family’, which was typical of workers in the Japanese paradigm, and hence the Japanese waited patiently for the Australian workforce to realize that Toyota was ‘father’, and behave in a way more consistent with Japan’s management paradigm. The Australian manufacturing workforce were considered a little like a parent considers their children who as toddlers behaved in a less than ideal fashion, but did not know better for lack of maturity. Hence in time and with some patient parenting, the belief that Australia would mature and behave ‘properly’ proved to be an erroneous assumption.

3.15 The incoming discourse attempts to redefine the boundaries of agency

This represented a significant shift in the thinking, and power given to the operators, the idea that operators are ‘building in the quality’, and can ‘stop the line’ was offered as empowering workers, and also removing the quality personal as the ‘experts’ that defined what could and could not be released or had to be reworked. The perception that workers had more ‘power’ began to alter the dynamic, as did the takeover of the Dandenong site which was also designed to bring about a restructure with the recalcitrant Port Melbourne employees to be brought into line by the competition between plants, and the idea that the Dandenong employees would be ‘grateful’ for Toyota saving their jobs (Interview 32).

The use of type of positions to delineate was also changing to workers having their boundaries less defined, but conversely also increasingly standardized. The quality departments were no longer perceived as ‘expert’ as the new system of Lean
required quality to be built in by each operator, and all parts were tested and approved in Japan. Foremen were to become Team Leaders and a new structure was introduced with Quality Circles and company centric information gathering methods that also instilled a tentacle of company control in each action, and each action was circuitous. For example as commitment to a quality circle meant investment of personal energy in company improvement, hence indoctrination into the Toyota Way, which is itself a circuitous process. Production workers were moved and flexible working arrangements were commenced, where operators would work in roles where the company needed rather than in the same machine continuously. Trades were asked to share more information than what was kept by individuals and the power that had been maintained based on individual knowledge and networks had stated to erode, and in response informal networks as a legitimate source of power became increasingly valuable (Interviews 1,2,2a,3,32).

3.16 The incoming discourse attempts to redefine identity

The use of ‘Continuous Improvement’ as a tenet in the Lean paradigm is also an example of the use of recognition to drive perception and therefore construct the desired reality. As the nature of continuous improvement is ongoing, it cannot be held down to a specific, measurable, fixed reality which exists on a constant basis. The incremental improvements which are sought and implemented can be measured, but even then the outcome is sometimes not as clear cut as for example, to operate two options in parallel realities to subject to comparison testing is not possible. The method of seeking continuous improvement is in and of itself endless. Therefore as a source of recognition for the individual it is fleeting, as once an idea has been validated via implementation it is gone, and the expectation is the void must be filled with a new idea for new improvements. This process fosters both the creation of uncertainty, whilst concurrently allowing Toyota to occupy the position of ‘expert’. Fostering uncertainty to recognize the idea of certainty being Toyota allows Toyota to continuously change the parameters of what is required, keeping the individual on shifting ground, whilst Toyota always appears stable. This also encourages almost complete ownership of the discourse without directly dominating.

For Toyota maintaining in a single discourse of which they were the ultimate was the expectation and the goal, so the method used was to keep everyone on unstable ground. By keeping boundaries less defined, for example a flexible work
force, less delineation between home and work, the company claiming ownership of positive results (good team work) and holding individuals to account for less desirable results (changing over the Human Resources Departments after disruptive or damaging industrial disputes), and continuous improvement as explained above, the company could dictate the terms of certainty, thus controlling without appearing to dominate. This made it harder for the union as the boundaries were less clear so as a consequence the union was forced to identify the elements of control and differences to maintain its identity.

Interviewee 9 (manager) explained the Japanese perspective in a way that neatly defined Toyota’s ability to control without domination:

The problem is that there’s a lot of respect between the Japanese part of the business and the cultures of the other countries and they don’t like to be seen to be involved in that discussion to heavily. Out of respect, they would say that’s for you to answer, not for us to question.

Traditionally being recognized as ‘separate’ and ‘independent’ was essential to maintain the union in its traditional capacity, so this logic alone prevented Toyota redefining identity and from unifying the group. Whilst maintaining its value and identity the union pursued its commitment to bringing issues to the attention of the company. With the intention of maintaining its aim to protect workers by constant subtle and or direct reminders that the company sought to control the individuals, who therefore required protection, the union held this competition validation of the necessity for their continued existence. The union sought to oppose and compete with the alternate discourse, not to dominate or become, but to exist as a check and balance arrangement, against a discourse that did not see the necessity for such.

Conflict between discourses was heightened as a result of Toyota also seeing itself, as it had since its inception as owning the role of the quietly superior, paternal sire, arriving to rescue a languishing manufacturing company that was in grave danger of folding completely. AMI (and AMI Toyota) had been trying desperately to please its parent as a strategy for survival. The repair and re-imagination of the company in the image of the Toyota Production System (Lean) was what was sought by all management teams; however it was directly resisted by the unions. According to Interviewee 7 (former union shop steward):
…being told what to wear, how to wear it, how to stand, how to … sometimes it gets a bit overwhelming and, you think, you know, let me be a person, kind of thing. So obviously what might have been very acceptable and normal back in their home country is definitely not here, not the case here.

3.17 Resistance

By forcing the separate discourses to be recognized the union cemented their value by being recognized as the champions, the protectors of workers and therefore protecting their own existence.

In a letter dated 7th May 1991 from the Victorian based Ian Jones of the VBEF to the Federal Secretary Wayne Blair regarding Toyota’s heads of agreement he stated:

Cleary if the union had gone through every possible mechanism available to it understand the problem resolution procedure and disruption to production still occur it ought not be regarded as a dispute as such but more an inadequacy of management.

3.18 Exclusion as a method of punishment and control

The method of exclusion for punishment was used by Toyota to its detriment. The Human Resources team would be ‘cleaned out’ on a fairly regular basis (every 3 to 4 years) and generally in response to industrial action (strikes etc.). The incoming team would not have the historical knowledge of the previous set. The cognitive bias of outright opposition to company plans and initiatives was still strong and present forty years on, in the 2010’s, and a pattern had been recognized by the union. If it was able to arrest a change, or agitate long enough, the matter would be dropped and occasionally forgotten by the company. This lack of organisational knowledge in Human Resources (caused by the relatively regular turnover) meant the union could often use their longer term organisational knowledge to strengthen their opposing position as explained by Interviewee 2:

What they would do is [we] would have a blue [an argument] with them [management] and then the HR department would get cleaned out and they would get a new group of management in [and this process would repeat]

One further failing was the recognition that differing levels of investment of personal energy in the company, that is in the manufacturing division at Toyota the
investment of personal energy in Lean was punished and not rewarded by the union. The unions recognized immediately limited levels of investment would help to preserve the status quo and universally resisted the participation in any improvement schemes. For example an action of participation in improvement such as participating in Action Learning Teams (ALTs) was voluntary, and also punishable with social exclusion, as explained by Interviewee 1 (a union organiser):

we [trades] were having nothing to do with it, bullshit, and there were maybe 3 tradesman on the whole site that went along…. We would say to them ‘yes we know you are going off to arse-licking team’ and they would reply ‘yes we know that you don’t like us.

3.19 Toyota failing to recognize differing work paradigms

Also what was understood by the union was that the economic environment directly impacts the degree to which the workforce will allow itself to be controlled or submit to direction without challenging it. Consistent with Maslow’s hierarchy of needs, the more dire the economic circumstance, the more one will submit to the will of the company to avoid exclusion, as Interviewee 2 (a union organiser) explains:

When you go over to a country like that [a third world country] you can tell a person to do it like that and do it like that for 8 hours and they will do it because they know that is their life, that is their livelihood, that is all they have got, whereas in Australia if someone gets the flick [they lose their job] they are just down the road [getting another job] mate.

The union dominant logic was firmly opposed to any and all company initiatives as discussed, and as a person may leave a company and work for another without changing their union, hence the union was in a stronger position to maintain its position than if jobs were much more scarce or economic conditions more harsh.

3.20 Emerging change

The union discourse operated to compete and oppose, based on the assumption an equal and balancing force would operate in the reverse direction from the management. The incoming discourse however was completely unaware of the assumptions underlying this behaviour, and as it came with a different history of collective experiences, with a different identity and a operated in a different
paradigm, so it failed entirely to recognize this was one of the fundamental elements of the internal operating environment.

Changes were also afoot for the union discourse though, with societal sentiment shifting to collegiate problem solving, labelling competition and excessive grievances as being needlessly disruptive, and therefore demonized.

By 2002, there was some acknowledgment of the disproportionate power balance that had been amassed by the two unions, and that this had become out of sync with both the internal operating environment as well as the external. In a 2002 employee satisfaction survey (conducted anonymously) at TMCA, the sentiment was still reflective of the distrust, but also characterized by inequitably, typified by one respondent when asked to comment who stated:

Any comments could be used against me.

There was acknowledgement of the disproportionate use of power by the unions, about a tenth of the respondents acknowledging the disproportionate power of the union’s one respondent reflecting this sentiment by saying:

A fair system and not bend over for the unions like we always do.

3.21 Forcing the new reality

In 2012, 350 workers’ positions were made redundant in the TMCA Altona plant, as a result of the down turn in the market (according to Toyota). Workers selected to be made redundant were based on behavioural and competency matrix scores, according to Toyota, however the disproportionate number of shop stewards, occupational health and safety representatives and WorkCover recipients indicates a different, undocumented theme existed (Lucas 2012),

This anti ‘extreme union behaviour’ sentiment was also highlighted in 2014, by Interviewee 8 (Human Resources Consultant), reflecting on the 350 workers made redundant from the company in 2012. He said

… a lot of these people that went were stand over people, you get stopped every now and then they say it was the best thing the company ever did, you know, how this person used to bully me, harass me and but they never want and they were never comfortable to speak up obviously.
When asked if these individuals were exited due to their being labelled trouble makers, he said:

At the end of the day they’re scored on a criteria. One can argue the criteria was designed around them….Some of them had a lot of … how could I put it? A lot of discipline regarding unacceptable behaviours, swearing, yelling in meetings and thumping tables…

3.22 Closure

In 2014 Toyota announced it would close its Australian manufacturing operations, and it was the final of the three remaining automotive manufacturers to announce closure (Ford announced in 2013 that its manufacturing would close by 2015, and General Motors Holden announced its closure in the beginning of 2014, aimed to conclude in 2016). The rising Australian dollar and the failure of the government to provide support for the industry meant Toyota was the final manufacturer to announce its closure. As with the UAAI situation, Toyota were the last to speak on the matter, thus preserving their reputation as it was not able to support an industry on its own.

This chapter has discussed the nature and history that led Toyota Australia to become what it was, maintaining the competing discourses as a reflection of organisational dominant logic which endured from its inception in the 1950’s. It was discussed that the core elements of masculinity, competition and absence of recognition regarding the nature and strength of these drivers caused unintended consequences and ultimately retarded the implementation of change via a process of introduction of Lean. It has been demonstrated that change was then forced, although the business still announced its closure, taking the advantage of speaking last which is consistent with the Japanese paradigm.

The following chapter will discuss Nissan through the same lens of demonstrating how Nissan’s history determined its enduring dominant logic, and demonstrates that even though both Nissan and Toyota were Japanese companies, arriving at similar times under similar circumstances, the allowable focus was entirely different at Nissan, where engineering and siloed management was encouraged.
Chapter 4: Nissan Australia

Where the previous chapter focused on the case of Toyota, in this chapter Nissan Manufacturing Australia is discussed, detailing briefly the history of the Nissan manufacturing in Australia, as well as context pertaining to the organisation. What was recognised as an allowable focus is described below, in this case being engineering. Lack of recognition, organisation silos, resistance, and reinvention are also discussed with regards to the Nissan manufacturing organisation in Australia.

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4.1 History

Nissan the automotive manufacturing company was established at the end of 1933, a part of a new ‘zaibatsu’ (a large conglomerate of companies who had significant resources). Earning its name from the abbreviating of its parent company name Nippon Sangyo (meaning Japan Industries) (Ghosn 2007), Nissan was the result of two companies merging - the automobile components company formerly owned by DAT Motors and a small importer/producer/repairer (Nissan-global.com).

In deference to a more symbolic meaning, its first line of cars was named based on the English connotation of ‘son’, meaning the son of DAT. Called Datsun, the ‘son’ changed to ‘sun’ to avoid confusion with the Japanese association of ‘son’ with loss or damage (Cusumano 1985).

Where Toyota developed behind a wall of mountains and limited access to resources beyond, Nissan Japan grew its knowledge from importing parts, subcontracting to Ford (Japan) and General Motors (Japan), and in spite of finally coming to an agreement for a long term plan to partner with General Motors, the agreement never transpired as it was outlawed by the Japanese government. To accelerate its production capability Nissan purchased presses and equipment from an ailing American automotive firm - Graham-Paige, and installed these in its
Yokohama factory with assistance from the Graham-Paige engineers. This is how Nissan learned to make trucks pre-war (Cusumano 1985). Post war it contracted to Austin, assembling to develop an understanding of small car manufacture and building on its experience of making Datsun models. This pattern of sourcing change and development by buying in expertise and experience endures in Nissan still.

It was in 1934 though, only a year after Nissan commenced that the first shipment of 24 Datsun Phaetons arrived in Melbourne at the Eastern Motor Company of South Yarra (Davis 1987). Eastern Motors had intended assembling and selling the models but with import duty increasing from 3 per cent to 20 per cent the plan was cancelled (Davis 1987). Some 24 years later in 1958 two Datsun Bluebirds were shipped to Australia to compete in a race, the new model gaining attention from Sir Laurence Hartnett (ex-General Motors Holden) who subsequently secured the rights to exclusively distribute, receiving his first shipment in 1960 Davis 1980).

This was short lived as in 1966 Nissan cancelled the arrangement with Sir Laurence in favour of assembling in response to the Federal Government’s program of raising import duty and insisting on manufacture with 85 per cent local content for larger volumes. Having already had international experience as Nissan had commenced manufacturing in Mexico in the 1960’s, it was necessary to supplement this experience with an English speaking country and Australia lower risk alternative, so the timing was ideal (Davis 1980).

Adding to this was that in the short space of time Sir Laurence had distributed, he had with carefully selected dealers who helped create a solid brand awareness of Nissan and these existing dealer networks which could be utilized to Nissan’s advantage (Davis 1987). The Nissan Motor Company (Australia) was established and it engaged Pressed Metal Corporation to begin assembly in Sydney in 1966, which were at the time assembling Austin models as well. It was only to last for 2 years, as a phone call from the Managing Director at Motor Producers was pivotal to changing assemblers (Davis 1987).

Australia was then and still is considered by Japan as ‘just a British Colony’ and a relatively small market (interview 18,19,20) although at the time of entry Australia also had the potential to offer some insight into the Anglo-Saxon mindset, without having to manufacture in Europe. Nissan’s ultimate goal was Europe and America, with the establishment of the Smyrna in the United States of America and

Where Australia differed however, was the average distances driven, less structured public transport and high reliance on the car, made Australia seem at the time an important market. The Australian experience was initially positive, particularly as the manufacturers within were some of the most protected in the world due to high tariffs, heavy reliance on cars for transport and Australian love affair with the motor vehicle (Davis 1980).

4.2 Motor Producers Australia – the pre Nissan company

In 1968 Motor Producers Australia, a Volkswagen assembler which had risen from the ashes of a failing Volkswagen’s manufacturing plant, located in the suburb of Clayton, Melbourne, was seeking to fill its extra capacity. Motor Producers offered services to both Nissan and Volvo, and both of accepted (Davis 1987).

What is also essential to acknowledge is that the Motor Producers factory itself survived a series of declining financial crises, not dissimilar to the history of AMI. In 1957 Volkswagen established a company which included some local distributors, and purchased from Martin & King a factory that had been assembling Volkswagens. It commenced manufacturing, going so far as to create a new car from the bones of the Beetle and Kombi. Declining sales meant the organisation was distanced from the distributors and a new company was formed (Automotive intelligence Yearbook 2015). In 1968 Motor Producers Australia took over as the new owner. Changing to an assembly operation, Volvo, Volkswagen and Datsun models were assembled from 1968 until 1976 when Nissan Manufacturing purchased the factory (Davis 1987). Volkswagens ceased to be assembled although Volvo assembly continued for a period into the early 1980’s alongside Datsun models (Davis 1987).

When Nissan subsequently purchased Motor Producers in 1976, they continued to assemble Volvo models adding to their understanding of the different vehicles. They also commenced their plan to manufacture at the Clayton plant Davis 1987). Consistent with Nissan’s historical disposition towards working openly with other car companies, the continued relationship with Volvo stands as testament to their willingness to look outside their own company to other organisations who are perceived as successful in significant markets (which were then considered Europe
and America). Volvo assembly was continued and even into the mid 1980’s and the site was often referred to as ‘Volvo’ by the various unions involved, even though Nissan had purchased the site a decade earlier.

### 4.3 Nissan Discourse

This pattern of openly buying in or seeking knowledge from outside themselves and Japan is evidenced consistently from their very inception where Nissan purchased presses, equipment and knowledge from the American company Graham-Paige (who was to become Chrysler). From producing Austin under license post war, right up to the decision to partner with Renault to save the company in 1999, Nissan have always tended to purchase in or add on what is considered the significant start point as a catalyst for change from the outside in (Ghosn 2002), as compared with Toyota who are very good at scanning their environment and digesting what they deem relevant, still change from the inside out (Atkinson 2010).

Nissan also arrived in Australia with militancy from the unions than Toyota, and less attention universally however there still existed a basic lack of trust. Assuming the ownership of Motor Producers Australia, where the assembly of Datsun models had occurred alongside Volvo and Volkswagen the Nissan organisation was seen more as an extension of what existed. Although Nissan was greeted with the same lack of trust that greeted Toyota from the union perspective however the acrimony and outright competition with the union was not as enduring or as fierce (interview 32).

Nissan also arrived at a time when the Australian interest in the Japanese methods of automobile manufacturing was increasing. Within the context of Japan asserting itself as a significant competitor to the American manufacturers, and Australia’s increasing preference for smaller cars, Nissan arrived with what would have seemed like ideal timing. Additionally, the Federal Government was espousing its support for the industry and hence in spite of the oil shock, and in part because of it, for a producer of small cars, the future looked bright.

Against a back drop of so many automotive manufacturers failing, the Federal Government was eager to take credit for the stimulation in jobs issuing a press release where it was announced that both Nissan and Toyota would manufacture in Australia, the press release issued by the Minister for Industry and Commerce, Senator Robert Cotton, (dated 9th June 1976) said that:
Senator Cotton and the Government had approved the entry by Toyota and Nissan Motor companies …... following proposals satisfactory to the Government for the sourcing of four-cylinder engines by the two companies.

Unlike the AMI there was no minority stake, then majority stake in Motor Producers Australia, however there was marked changes in similar time periods demonstrating that change is a process contingent on external environmental context and other independent and contingent factors for both organisations, as well as what was driven from within.

Also significant for Nissan here is that there was no competition between distributors, as was such for AMI Toyota and Thiess. Nissan was a more neatly divided operation with the obvious boundaries that existed between different companies - Nissan Sales, Nissan Manufacturing and Nissan Finance companies in Australia. These companies did not collaborate or compete with each other, they almost ignored each other instead, continuing the extension of the silo’s which existed in Japan.

What contributed to this mentality is the way in which cars are sold in Japan. In Japan the demand for models can be managed to a far greater extent than in Australia (Interview 15). In Japan the ages of the vehicles are limited, so people are forced to change over the cars. Sales people approach the typically brand and model loyal customers, so if there is an excess number of a particular model, the customers who have demonstrated favour for that particular model and are due for a change will be contacted. Conversely if a particular model be in short supply, the sales team leave contacting that group and focus on a group who favour a different model. The market in Australia is far more competitive and less loyal. Where loyalty used to exist for Ford or General Motors Holden in the 1960’s and 1970’s, this loyalty did not extend beyond the ‘Australian produced’ models to the Japanese brands and this disconnect in demand management presented a problem for Nissan, which went unrecognised.

Additionally, although they were manufacturing internationally, the focus of Nissan was internal, it was about Japan. As explained by Interviewee 15 (former senior manager):

…the Bluebird was the car that made all the money in Japan for Nissan because it doesn’t cost much to make a big car versus a small car or a
medium car versus much extra to but you can charge a higher price for example, you know, it might cost you 5 per cent more to make it but you can charge 20 per cent more and that the Japanese whole focus was on protecting the Bluebird position and profitability and by getting the United States to build the Bluebirds, to get Australia to build the Bluebird, to get the United Kingdom to build the Bluebird … but by getting all of these other places to build the Bluebird and they spread the engineering cost and therefore in Japan it made it more profitable on their sales of the Bluebird. So the whole thing was different about what was going to be good for the Japanese domestic market.

Consistent with the belief at Toyota, Nissan believed in Australia that their Lean manufacturing system was superior to the system which had been operating prior to Nissan’s arrival, and hence they sought to introduce Lean.

Some distinction must be drawn here between the Sunderland plan in the United Kingdom and the Clayton plant in Melbourne. Both plants were opened as a result of a dramatic shift in Nissan’s strategy, to move from a mainly local manufacturer to become global company, but the outcomes were drastically different which is why it’s important to note. Australia was treated with a very limited focus as far it was seen as an off shore, Japanese factory in a British colonized country. The Sunderland factory was treated as a factory and network in its own right.

Just as the Australian Government was signalling its shift away from supporting the industry, the Thatcher government in the UK was signalling its willingness to support it, whilst espousing an anti-union sentiment (Wickens 1987, Garrahan & Stewart 1992). Sunderland was a greenfield site, in an economically depressed, relatively large open tract of land in regional UK closer to Edinburgh than London. As Sunderland was the chosen locale from a number of sites considered by and competing for Nissan, Nissan were assured that the local political economy was not only in favour of Nissan’s terms but actively involved in the process of demonstrating this acquiescence to Nissan for their approval. It had a deep sea port, a large number of unemployed individuals familiar with shipbuilding and heavy industrial industry and ‘Fordist’ work methods (Wickens, 1987, Garrahan & Stewart 1992). Nissan had their pick of employees, a very supportive local political economy, and space for suppliers to set up factories and networks locally, with
options on large tracts of land exercised in the later 1980’s to enabling suppliers to build there too (Wickens 1987, Garrahan & Stewart 1992).

Conversely in Australia unlike Toyota, Nissan did not have its major Japanese suppliers come to Australia and set up business locally, where as in Sunderland they did, an indication that the plan for the Australian manufacturing site was perceived differently by the organisation in Japan.

In fact in Australia there was a degree of sadness and resentment that Sunderland had continued when Melbourne had not. Interviewee 11 (former Human Resources Manager) said:

Nissan UK has survived and I would have thought that was against all odds.

And Interviewee 10 (former Managing Director):

I mean there’s no doubt that we continually improved and I think at the time that we were … well at different times we were quite comfortable with Sunderland and Smyrna, I mean in terms of manufacturing.

4.4 Nissan Manufacturing Australia – paradigm and hubris

Once Nissan took over with the intention to manufacture, they progressed through a process to reduce complexity by reducing model types in terms of assembly. Eventually moving away from the Datsun models, they changed to producing the Pintara (Bluebird), Skyline and Pulsar models. Differing also from TMCA the production style of Lean was immediately introduced in a physical sense, although absent were many the corresponding Human Resource practices that are espoused as essential to the system, so post Nissan’s takeover, substantial Human Resource management paradigm change was slow to arrive.

Consistent with most production at the time, the demands of the production schedule put massive pressure on producing a large number of cars, and the way that it had been traditionally managed under a modernist paradigm was continued to a reasonable extent.

Describing the conditions, Interviewee 16 (former Managing Director) commented:

…it’s a hard, you know, sometimes dirty jobs, I mean we’d like it to be different and that’s why automation has taken over in lots of areas.
Also important is the distinct and clear difference between the way the unions dealt with the organisation. There was the tension that existed between company and unions, but it lacked the degree of overt physical domination, fighting and competitiveness that marked the AMI, AMI Toyota and TMCA union interactions.

Although different to Toyota, who experienced distinct stages in the form of graded transitions to full ownership, Nissan still had three distinct stages for the manufacturing history of Australia.

The first was when Nissan began manufacturing, the three Nissan companies were separate and operating independently - there was Nissan Manufacturing, Nissan Sales and Nissan Finance. The next change was when two companies were united, Sales and Manufacturing, under Ivan Deveson, an ex-General Motors Holden manager who had a distinct leadership style (Interview 18). The final stage was the end of Nissan Manufacturing Australia, where the company had to be reinvented to become a Sales and Marketing firm on its own once again. Similar to Toyota however, each stage the incoming and existing discourses sought to use recognition to redistribute power.

Running simultaneously to this was the planning and construction of the Sunderland UK manufacturing facility, many aspects of which were continuously compared to Australia, because Australia was considered a subset of the UK by Japan.

Where TMCA and its preceding companies were characterized by bruising and consistent competition, Nissan Australia was characterized by an engineering based discourse, which yielded inflexibility, rigid boundaries and ironically highlighted a Taylorist mentality.

Competition between discourses still existed however, and energy was lost in the competition between unions for recognition, as well as between union and company management. In the only study on Nissan Manufacturing Australia’s demise, Minchin (2007) reported that the multiple unions represented were a significant issue for Nissan, however data indicates this was not the case, and it was the VBEF had the majority of the membership, and therefore maintained the lion’s share of power.

Indeed relationships with the unions were considered fair and reasonable, the union behaved within the realm of expectation without being unreasonable. According to
Interviewee 17 (Human Resources Manager) speaking with regard to the union said:

...they had the interest of the production staff and it was important it fight for the … that was what they’re employed for.

Minchin (2007) points to the number of unions and industrial disputes causing the closure of the factory, also reflects on the adversarial nature of the unions, but it was discovered that in actuality the unions were not universally and wholly disruptive. In the words of Interviewee 17 (Human Resources Manager) the relationship between company and unions was:

I think predominantly reasonable.. They certainly weren’t militant.. ..  It was a conflictual relationship but it was enjoyable..

From the former VBEF Union shop steward Interviewee 13:

I found them reasonable to deal with, fair to deal with, it was a good plant, good wages for that time…

From Interviewee 10 (former Managing Director):

We had very few stoppages, very few.

From Interviewee 12 ((former spare parts Manager):

We were a team, a tight team, we all worked together well.

From Interviewee 11 (former Human Resources Manager):

we had great relationships with the union.

What is interesting to note at Nissan, is their capacity for resistance was more subtle and less overt than Toyota experienced. Hence questioning the ‘faultless Japanese design’, absenteeism, seeking recognition, questioning model choice or any decision issued from Japan was resisting the incoming discourse.

4.5 Recognition at Nissan Australia

What was recognized at Nissan Australia was threefold. Firstly, production was the central point of all operations, same for AMI, AMI Toyota and TMCA. Whatever kept the line moving was the most important, and with an understanding that Volkswagen had sold the unprofitable site to Nissan the idea that the company was
operating on shaky ground was commonly known. By the late 1980’s, of the auto manufacturers left in Australia (GMH, Ford, Toyota, Mitsubishi and Nissan), Nissan was the weakest financially.

Recognition of position was important, but different to the AMI Toyota/TMCA scenario. What was recognized and rewarded as essential was technical competency. Certainly masculinity featured but it was eclipsed by the ability to come some way to ‘solve the puzzle’ of Lean and Lean implementation. That is, to prove that the incoming discourse that considered itself to be universally superior does not present something that is beyond the full gasp of the group.

Finally not only were the unions less militant, but the variety of unions competing with each other there meant a more diffused power base, resulting in reduced resistance. One of the most active in agitating was unsurprisingly the Association of Drafting Supervisory and Technical Employees union (ADSTE) who commissioned reports and valiantly attempted to highlight the difficult nature of the work in exceedingly uncomfortable conditions made worse by the expectation of achieving overly aggressive targets.

A report tabled referred to ‘men with tears in their eyes’ (ADSTE Report on Occupational Stressors at Nissan Clayton, November 1988) was distributed between unions but interestingly was not used to garner resistance or underpin any form of agitated action by any of the unions, demonstrating the less directly agitated nature of the struggle that existed between the unions and Nissan.

4.6 Engineering was the allowable focus of all discourses

As the manufacturing company operated independently of the sales company, it was not confined or compelled to any expectation other than to make itself profitable, and work to the standards set by Japan which were believed to be universally superior by Japan, and for the most part by the Australian discourse as well.

As engineering is regarded as a more quantitative or rational construction of reality this actually suited the Australian paradigm, as opposed to the shifting sands of the heavily conceptual paradigm that Toyota constructed. This commonality between the Japanese and Australian discourses resulted in less direct resistance, as the Australian discourse viewed the incoming Lean as if it were a puzzle to be solved, and set about proving it could. This sentiment was not dissimilar to Japan, who saw
Lean as the answer to solving the inefficiency of the plant and making it profitable in the longer term.

The fundamental belief, indeed the dominant logic at Nissan Japan was that the Japanese method of automobile manufacturing was the panacea, the answer and the solution. Typified by Interviewee 16:

..the Japanese who’d always sort of said get the process right in terms of quality and efficiency and everything will work out.

Hence Australia was treated at best as an extension of a Japanese factory, like the hands of a Tayloristic paradigm, and not dissimilar to AMI with limited with information from Japan. Australia was perceived as the undisciplined group, not considered at the same standard as the Japanese workers. Consistent with this assumption, the physical tasks, including the speed of the line, the arrangement of equipment, the relative skill of the people to feed the machines and manufacture the cars was the first priority to address. To complete these things efficiently the employees needed to follow the standardized, documented methods, faster and faster each time. According to the Nissan Manufacturing Management System (Nissan Australia Section Management guidelines):

...the job skill improvement is a matter of life or death to the production.

Also consistent with the engineering paradigm is the mechanistic nature of process as a method of standardization, which exists at the heart of Lean. With process and structure comes a reduction in uncertainty, which offers an element of predictability and consistency, in turn feeding the idea that process is a desirable state. This became the source of a significant example of where Japan failed to recognize Australian discourse, leading to frustration and the corresponding need to reconcile the difference. Explained by a senior manager (Interviewee 15):

So there’s order in everything, there’s a process for everything and it’s very difficult to change process for anything. So if you can ask for something outside of the norm it won’t be done just straight away even though it will make enormous sense and very easy to implement yet they won’t allow it because it doesn’t follow the process.

Standardization was also a form of organisational control, but it did not invite the degree of overt resistance that Toyota experienced, partly because the ownership
of the discourse by Engineering overlapped with the Australian modernist mindset, and the nature and complexity of the cars themselves required a high degree of order. Indeed it reduced uncertainty, and this appealed to some as Interviewee 13 (former union organiser) explained proudly:

I mean they have processes for **everything**!

The company documentation was consistent with this desire for standardization, the Nissan Manufacturing Management System (Nissan Australia) Section Management guidelines explaining:

Moreover, the foreman himself must be able to demonstrate the standard operations, following the correct order and at the proper speed.

The adherence to systemic process was absolute, and this in turn encouraged the engineering mindset, and reinforced the creation of certainty with regards to output and quality.

It also operated to reinforce boundaries. The heavy focus on the physical elements of the implementation of Lean in the late 1970’s ignored that change is about tacit knowledge transfer, and it focused very much on the physical elements of Lean. The engineering discourse operated in a degree of ignorance until the mid 1980’s when active and fundamental efforts were introduced to restructure and instil change in the minds and hearts of the workers as well as the hands. The realisation was made that human resources practices would need to change if Lean was to be properly implemented.

Engineering maintained the predominant ownership of discourse in the factory, which meant the people were inherently being treated like moving parts of the production equipment, again consistent with the modernist paradigm. The factory was treated like a big engineering puzzle, unfailingly rational and perfectly logical. The implementation of Lean was the puzzle, for which a solution could be engineered. The complete introduction of Lean, and all the associated production techniques, continuous improvement focus, zero waste etc. were pieces to be properly implemented for the puzzle to be completed or solved. Hence understanding Lean, implementing Lean, communicating the elements of Lean all became part of a puzzle that needed to be ‘solved’, to prove Australia could make the factory run properly and financially, and that it was not inferior to Japan. Even the union was drawn to solving this puzzle of mastering Lean, looking at various
efficiency suggestions and methods. Union documents are littered with examples such as the below, this one from Second tier union meeting of VBEF stewards, 21st July 1987:

Improve methods in the tyre store, reduce double handling.

The is evidence that the employees engaged with the process of continuous improvement, waste minimization and improved efficiency such as described as the tenets of Lean, and that the union were supporting and enabling this as well

From the working party meeting on 21st July 1987, amongst several suggested improvements:

Reduce material wastage...Introduce courses in industrial relations for supervisors as to minimize the time spent by shop stewards off the job.

The difference to the TMCA is clear and apparent. Seeking grievances was not defined by the union as a way of gaining recognition and therefore power. Proving the workforce could ‘solve’ of Lean was where the union discourse sought recognition. Participation in continuous improvement was encouraged, and reflective of union shop stewards wanting to work for recognition of the job outcome, rather than universal agitation.

What is also interesting to note is that the issue of controlling overall outcomes was not limited to what Japan exercised over Australia. Highlighting the assumptions around opposing forces between union and management, Interviewee 32 explained:

Whenever we tried to set up the equivalent to an employee participation program process, Ivan Deveson and I were the joint chairmen, the committee never met if Ivan was not around. We disagreed, in fact I doubt very much whether we ever met at all because we disagreed fundamentally. The company's view was all the ideas have to come from the top, my view was no, there has to be a process so they come up from the bottom as well. Wouldn't have it.

4.7 The departmental silos

Consistent with Nissan's historical siloed business structure in Japan, the Australian business structure was also silos. The Sales company, the Manufacturing and Finance companies all operated independently of each other, each receiving
instruction from their individual management structure in Japan. Competing financial priorities made significant differences on operational priorities, for example the price per car that manufacturing was allocated was not driven by local market determination, it came from Japan. Hence the manufacturing company made the cars that made them appear quite profitable, ignoring sales and marketing data regarding which models were selling or believed to have the potential to sell well, yielding stock piles of cars.

According to Interviewee 17 (Human Resources Manager):

..they [manufacturing] made almost what they wanted to ..they didn’t always make to the sales company’s requirements and if the sales company wasn’t able to sell vehicles for example through the difficult economic indications, then the manufacturing company would continue to make vehicles and they end up in paddocks ... there was quite several thousand vehicles that were not sold so just being stored.

Consistent with a narrow engineering paradigm, production numbers, not sales data, drove the manufacturing business.

4.8 Singular directional of information fosters resistance

Where the Nissan Japan discourse differentiated itself from Australia was in its world view. Borne out of a sense of superiority, group think and historical success, Nissan Japan believed that not only were they correct in their beliefs and assumptions, but that in being correct made those who disagreed incorrect, irrespective of reason. In a subtle form of social exclusion, those who questioned, asked for something different to what Japan decreed were sanctioned, punished, ignored. The only division left without Japan directly instructing was marketing, as that was deemed market specific, hence Japan was not involved nearly as heavily as it was in finance and production.

Unlike Toyota, who appeared to take the approach of a holistic method of control through carefully designed information and memes, Nissan Japan took outright control, directing model choice, design, quality, production style and all specifications (as in the implementation of Lean).

In spite of Lean being introduced in the 1970’s, the human resource aspects of Lean were not considered, nor attempts made to install them until the mid-1980’s
with a focus on the importance of team working was finally impressed on the factory. This reinforced the view that had operated until that time, that information flowed down to the workers, who were just told what they needed to know and no more. Resistance was more passive, as explained by Interviewee 32:

They just didn't respond or they'd look for every excuse not to respond, or they'd look for excuses not to do anything.

The ability of Nissan to receive, process and use information and feedback was possibly its single biggest failing both within Nissan (globally) and between Nissan Japan and Nissan Australia regarding both the introduction of Lean and its capacity to operate a business. It’s hubris of absolute expertise, silo mentality, inward focus and absence of the ability to take information from its environment were the greatest contributors leading to its teetering on the brink of bankruptcy in the late 1990’s.

4.9 Information management - a reflection of discourse's identity

The chief method of formal information transfer was the Japanese advisors, or shadow managers as they are sometimes referred to. They operated more as a mechanism of control, seen as a symbol of distrust and disruption as information was heavily censored according to the senior managers to whom they were assigned. Interviewee 15 (former senior manager) stated:

I thought it was for the most part went to dysfunction for one thing and it reduced the degree which the views of Australian management were passed on to their parent company as well as the dysfunction element in the fact that the Australians weren’t getting full information that would have helped or perhaps argue some points for strongly and create a stronger company.

Another Interviewee 17 (Human Resources Manager) said:

The Japanese advisers, their primary role wasn’t to assist the Australian sort of running Nissan but rather they were there to feed back to Japan what was going on and only feed to the Australians what the Japanese management wanted us to know or thought was essential for us to know.

In summing up, Interviewee 10 (former Managing Director) said:

The lack of information was very damaging.

Interviewee 15 (former senior manager) summing up:
[Having shadow managers] I thought it wasn’t particularly useful in the role, in fact [it was] counterproductive.

There was only one Australian manager who perceived the shadow manager as potentially useful, though he cautioned their use was limited by their political aspirations, that is, if they had desired the position they were shadowing. This particular manager recognized the value of gaining cultural knowledge, allowing him to navigate the cultural sensitivities that existed. He referred to his advisor as his ‘seeing eye dog’ because, according to (former Managing Director) Interviewee 10:

…you are viewing a very complex culture, corporate culture, culture culture and there is no way you can fully understand and work your way around that without help.

This example is perhaps reflective of the ability to bridge the gap between formal and informal information gathering across two complex and different cultures.

From Japan’s perspective, the lack of detail on how things were to be implemented was also perceived as disconnected, and left wanting. As the framework through which Japan received and processed its information was not understood by the Australian managers, this added to the disconnect. Conversely the Japanese were also unable to comprehend a different framework existed in Australia, and their hubris was unchecked.

The subtleties of the Japanese culture, dedicated to unified agreement, meant all details must be sorted and agreed before commencement. This was at odds with the Australian experience of having an outline and less agreement, taking action to refine along the way as the need arose. Neither discourse process was understood or recognized by the other.

Hence the way information was sought and received for both countries discourses was left wanting. This ignited a degree of distrust for Japan and galvanized the need for the Australians to prove they were both competent and not inferior via rational resistance, and trying to produce an Australian conceptualisation of Lean, trying to get different more country appropriate models manufactured for the Australian market, trying to contribute to the engineering of the process and outcomes. For Japan this resistance in turn confirmed the view that Australia was a less civilized nation that was behaving like an adolescent and trying to rally against boundaries that it did not yet have the maturity to understand.
4.10 Lack of recognition – trying and being ignored

One former Managing Director seeking to bring a different model for manufacture in Australia in order to compete directly with Ford and General Motors Holden offered his extensive market report to the attention of the board in Japan, but to no avail. Interviewee 10 (former Managing Director) said simply:

I couldn’t get a hearing

He went on to explain the tradition was so fiercely adhered to that a board position was not considered a strategic role, so much as a reward for time served. Explaining a conversation he had with his shadow manager, Sas, regarding the board he told me:

I said to Sas: ‘Look at them.’ He said ‘I think they’re thinking’, and I said, ‘bullshit Sas, they’re not thinking, they’re asleep.’

As discussed, Engineering was the ‘expert’ in terms of defining how things were to be done, but within Engineering there was Japan, the unquestionable experts and Australia, the implementers or the ‘hands’ of the Japanese expertise. When trouble arose with a particular model design, which was systematically failing in the Australian conditions the engineers in Australia pointed to the faults, and leaning on the logic and rational typical of engineering commenced addressing the issue. The story from the former senior manager exemplifies the extent to which engineering and production was owned and controlled by Japan, and the degree to which the Australian discourse value was non-existent in their perception (Interviewee 15, a former senior manager):

The manager of the manufacturing company on the advice of his engineers tried to make some changes to the design of the Bluebird and because …the front suspension that was believed it was not strong enough for Australian conditions, another one was an overheating problem and they worked through it, anyhow the word got back to Japan. ….. these Australians were mucking around with this faultiness Japanese design and the chief executive of the [Australian] manufacturing plant was called to go in Japan to see the president and he walked in to see the president, ushered in to see the president, and the president said: ‘I brought you up to tell you one thing, you are not to change the design of that car, now you go back!’ And the front suspension of the cars started to fall apart after the car has been on
the road for two years and the freeways were lined with cars Bluebirds which overheated.

After 2 years, and proving the problem existed the Australian engineers were allowed to solve the problem with a Japanese solution.

It is also important to note that although Lean is characterized by continuous improvement and constantly looking for feedback for improvement from all areas, in Nissan Australia the information from the Australian company employees was observed in a limited fashion by the various shadow managers. It was not sought or encouraged, indeed it was for the most part discouraged, punished and ignored. The Australian discourse was sidelined when it came to items like model choice to manufacture and import and sell, as Japan were the ‘experts’, and to question an expert led to punishment. The Australian managers could not ‘tell’ Japan information that was different to how Japan’s world view was constructed. (former senior manager) Interviewee 15 explained:

..you need the marketing people behind it but and even some of the senior marketing and sales people are saying we can’t sell that car... that the engineers and the marketers and anyone else kept telling the Japanese that the Bluebird which became the Pintara was no good and they would not be out and selling properly in Australia.

Underlining Japan’s idea of superiority the argumentative and often demonstrative Australians were considered as having poor manners and lacking in self-control, as they openly argued and debated. Even years later the Directors in Japan talked about how the Australians were unable to comprehend how the world worked, and spoke of the undisciplined nature of the workforce.

Indeed it was the high turnover in the Australian operation that came from a perceived lack of discipline and lack of loyalty and inappropriate management that hurt Japan’s pride Interviewee 11 (former Human Resources Manager) explained:

[the turnover] hurt Japan. Hurt their pride as well because the fact that we didn’t know the staff half as well as they thought we should.

It is clear that Japan had a clear understanding of what it required of its Australian manufacturing operations; however what is distinct from Toyota was Nissan’s lack of capacity to communicate a degree of certainty or any contextual details about
what was occurring, due to the dominant logic of the Japan centric and superiority belief system. This limited information flow drastically.

Consistent with Japanese culture, planning and consensus commitment is gained before action is undertaken and because of the seemingly protracted planning process, failure to complete the actions one or one’s department has committed to is unacceptable, and led to punishment by exclusion. As explained by (former Human Resources Manager) Interviewee 11:

Weather you had reasons why [you had failed], they [Japan] weren’t too interested.

4.11 Local geography
To the same extent Motor Producers were operating on the edge of a fine line between profitability and loss as AMI, the response, however, was different and it is argued that this was as a result in part of the differing geographical location. AMI was in Port Melbourne, an inner city portside suburb, and locally a strong hold for the most violent and militant unions- the Painters and Dockers union. Motor Producers were in Clayton, what was then a heavily industrial, outer Melbourne suburb. Back in the 1970’s, being further away from the central business district meant local accommodation was cheaper, work was predominantly industrial, the state of the socio economic status immediately surrounding the area was lower. There were several unions representing workers, but the level of riotous behaviour and physical fighting was not nearly as frequently in evidence as it had been with AMI & AMI Toyota.

The reach of the militant unions was not as close as the physical proximity of that which AMI faced, and as a consequence of physical location and engineering based discourse the more active unions in Nissan were less militant. Aside from the VBEF, there was Association of Drafting Supervisory and Technical Employees (ADSTE) who represented engineers and other technical employees. ADSTE were quite active though tended for argument in words and lobbying rather than physical fighting.

Also significant, unlike Sunderland in the UK, Nissan did not take a greenfield site, nor did it seek to build its supplier base around its location as it did in the UK, as there was not the extensive space available so cheaply. In the UK, Nissan also received substantial funding from the government, entering a very economically
depressed area (Garrahan & Stewart 1992), as compared to Melbourne where employment was strong, and the infrastructure was not as physically isolated.

Where Toyota Japan had historically enjoyed a much greater degree of control over workers in Nagoya due to its economic state and being more physically isolated, Nissan Japan had historically been significantly impacted by their proximity to Tokyo, with the union able to garner a good deal more support and a significantly more problematic in the early 1950’s when the whole automotive industry in Japan fell into a depression. Toyota suffered a three day strike, the Managing Director resigned to take responsibility for the mass sacking of casuals and everyone went back to work out of necessity to survive the union reverting back to an enterprise arrangement. Thanks to the Allies the union was industry wide and in Nissan’s case the union was also much stronger. With Japanese paradigm of a job for life, even though Nissan also dismissed a similarly large number of casuals to Toyota the union called for strike action, in an attempt to force submission the management team locked the workers out. For three months the machines were silent. The union was bankrupted, union officials arrested; people were starving to death (Cusumano 1985). To return the workers had to sign with a new company (enterprise) union, headed by a loosely disguised management representative and Nissan were once again firmly in charge of the workers without resistance or disruption (Dohse, Jürgens, & Malsch 1984). This was the paradigm they had enjoyed for the twenty plus years prior to their arrival in Australia in 1976.

4.12 Nissan Manufacturing joins with Nissan Sales 1986

The organisation was unified in terms of bringing Sales and Manufacturing companies under one Managing Director 1986.

It was here that the team structure had traction in change, but still the engineering paradigm held fast. Production was king. Interviewee 17 (Human Resources Manager):

The Button Plant was impacting our volumes so we were not officially selling but we were producing a lot of cars to comply with the Button Plan and we have … if you visited here in 1990 or 1991. There were cars parked on the grass everywhere. It was just all over the place so we had an excess of production.
The pressure to perform and act as Lean directed was increasing, and the Australian discourse was eager to prove it was changing and adopting the Lean strategies. In terms of the production style, the quality, and the ability to emulate the Japanese production methods required for Lean, one production worker said Interviewee 13 (former union organiser):

...we said we would show the parent company that we can build a car equal to any Nissan plant in the world which we did.

Interviewee 11 (former Human Resources Manager) said

[The plant was] very organized, high standards. I've seen their overseas plants, I think we were equal, but if not better.

4.13 1988 – The industry on the brink of disaster

The Button plan was taking effect and manufacturers unable to produce the required numbers were facing fines. Model sharing was proving to be problematic, and Nissan having experienced a brief relationship with General Motors Holden were tied to Ford, an arrangement that cost them financially when Ford failed to sell the predicted number of the model sharing program.

In 1988 the entire industry was on the brink of disaster. Pushed by both management and unions the industry attempted to bring about change, altering modernist practices by instigating the ‘teams’ structure as decreed by Lean with the best leader at the helm versus seniority by length of tenure which was quite a departure to what had existed thence. Multiskilling and training to alleviate the boredom associated with production work was also addressed, as well as seeking greater effectiveness for the organisations in the hope that the factory might improve its perceived lack of efficiency. At this juncture all organisations moved toward some understanding of Lean, and tried to implement change.

Whilst the industry acknowledged it needed to alter its methods of practice, the constituents within were not altogether of the same thinking.

In Nissan Australia they had aging equipment that in spite of an $AUS467 million investment was still heavily reliant on manual labour (Manuel 1992). As (comparatively speaking) the runs were of lower volume they could not justify further expensive automation. The Just In Time program worked well, as long as the component suppliers were not experiencing industrial dispute, in which case
there were several instances when the factory was forced to cease manufacturing as a result of components not being delivered due to supplier industrial action. Where Toyota enjoys contracts with its suppliers that they must keep buffer stock at the suppliers own expense to avoid such disaster, Nissan itself was trying to operate a domestic, Japanese business, caught between the idea it must globalize to compete and to maintain ‘face’. The determination to maintain a domestic focus caused its own dominant logic to strangle potential future growth, and Nissan Japan experienced a steady decline that would last until 1999.

Consistent with the Industry’s move to team based arrangements and improved flexibility Nissan Australia also went about introducing changes to flexible team based fit arrangements. They had already dissolved their quality department in favour of building quality into the line, restructured the business to have ‘best fit’ team leaders rather than foremen, which was an important departure from what had existed before.

The restructuring in Australia was industry wide in recognition of the inflexibility that existed, and that without change there would be no way for the industry to survive, though it was postulated that this was too little change, too late.

Empowering the worker to stop the line, and including quality as part of the role rather than a separate department yielded resistance, and it is interesting to note the chief resisters were in management rather than on the factory floor, as explained by (former Human Resources Manager) Interviewee 11:

I can remember management coming down and saying, “well done” and I can remember the guys saying to management, “well we knew we could do it. I was you we had to convince.

Indeed what is noticeable is the lack of resistance to the change to the team structure and the degree of trust exhibited between the unions, the greater workforce and the management team as compared with Toyota. Part of the reason for the relative ease of reforming was the level of trust that already existed between the unions and management, the more inclusive style of discussion in planning and the consistent, predictable responses from the manufacturing manager made for a relatively smoother transition than that which Toyota underwent. As explained by Interviewee 11:
[We had] a steering committee where everybody’s represented and your fair dinkum, [being honest]… people as you know may not agree but they’ve been part of the struggle and they understand.

As the new team based system was brought in, and the structure was reinvented, the turnover was reducing and legitimate wholesale change had been affected, as explained by former union organiser Interviewee 13:

...absenteeism was reduced, the quality was unbelievable..

According to Interviewee 11:

We broke the nexus of the old guard.

Also around this time the new manufacturing manager was recruited from Ford. What is significant to note is the degree to which the Nissan Australia discourse responded to the autocratic management style, and the corresponding improvement in manufacturing performance that came with predictability, or increasing certainty. Hence, even though the factory was likely to close, actual change was being brought about. The idea of Lean was being instituted to a certain, physical extent in terms of efficiency.

Described by many of the people interviewed, the new Manufacturing Manager was an autocratic, strong willed and pragmatic person; a former the Human Resources Manager (Interviewee 11) politely describing him as having a

...strong leadership style that wouldn’t work today.

Echoes of AMI’s Managing Director Hougham, the directive leadership style, predictable and reliable behaviour that married with the spoken word of the individual demonstrated that the psyche of the Australian workforce had not moved significantly, moreover the need to bridge this with the expectations of Lean was what created space for actual change, and the safety to invest energy in what was ultimately a conceptual idea. Interviewee 13 former union organiser explained:

...he was a bit of … I want to say old fashion but traditionalist so like, but he relied on, I mean, very disciplined approach. A bit management by fear I would suggest, coming from Ford…. Even up towards the end when the plant was due to close, he was still building and refurbishing tea rooms and things like that in order to keep the work force involved.
The efforts proved fruitless unfortunately for the Nissan employees.

4.14 The Manufacturing Company closes 1992

The fundamental belief, indeed the dominant logic at Nissan Japan was that the Japanese method of automobile manufacturing or Lean was the panacea, the answer and the solution. So when the decision was made that it was not going to be viable to continue manufacturing and the organisation had to close it caused a great degree of disappointment both in Japan and Australia, neither discourse believing they were responsible. According to (former Managing Director) Interviewee 16:

...there was a great disappointment in Japan that the faith they'd shown in the Australian company by investing hundreds of millions of dollars to expand manufacturing .. [and we] had been un-successful and they were very unhappy with the Australian company.. many Japanese executives were disappointed and saddened by the fact that they have to close the plant.

Even the employees on the manufacturing floor were aware of the priorities, said Interviewee 13 former union organiser:

It was either us or a Japanese plant and in those days Japan was always protected.

According to Interviewee 13:

Nissan was in significant financial strife and then Australia is losing buckets of money so if Nissan had been flying financially strongly and everything else then maybe they might have carried Australia but by the time ... you see I was involved in a lot of the sort of consideration of continuing on or closing or whatever and frankly I couldn’t see the case for continuing.

Nissan announced the impending closure of its manufacturing in 1991, to avoid having to pay the fines associated with failing to meet the production requirements under the quota legislation.

To summarize the feeling of the Nissan workers, and specifically how they felt about the company it would be to say that they had a greater degree of agreement with the discourses, a higher level of engagement with the union as evidenced, but the
issue that they are seemingly trying to resolve is that they almost managed to ‘solve’ the puzzle of Lean, but never got recognized for doing so. Australia treated Lean like a set of processes they needed to adopt, but never received the recognition for their efforts, and was never really educated to understand the conceptual nature of Lean. The Australian discourse did master to an extent the physical workings of Lean manufacturing and were left with a sense of loss that the puzzle was almost solved, they were almost there, but Nissan closed anyway.

4.15 Reinvention to be a sales and marketing company

Once the factory was closed, and the last Pulsar rolled off the line (to be sold to Senator John Button, the person who was given credit for the restructuring of the industry and the death of Nissan manufacturing).

The then Managing Director then went about reducing uncertainty in the minds of the stakeholders. By implementing initiatives that were heavily symbolic including salary freezes and a reduction in benefits the company signalled to Japan it was prepared to undertake hardship too, demonstrating a sacrifice for long term benefit.

Interviewee 16 (former Managing Director) explained:

…we had to make Japan satisfied that we’re doing everything to bring the company back to a sensible operation.

For those who stayed within he also tried for improving certainty (Interviewee 16):

I tried to establish a size of the company that we wouldn’t have to continue to reduce because we wanted to try to have some more certainty in the workforce about going forward.

For customers and other stake holders inside Australia (Interviewee 16):

...[we] had special program to convince the Australian people and market that we were staying here because a lot of our competitors were saying Nissan’s leaving and all our dealers were faced with the dealers in whatever locations they’re in so the sales people say from Holden that say Nissan are going out of business and all this.

The single article on Nissan’s closure in Melbourne posits that the number of competing unions was one of the reasons for the closure of their manufacturing site in Australia (Minchin 2007). Although the unions were described by (former
Managing Director) Interviewee 10 as having a ‘sheep mentality’, data has shown that their challenges with cultural change and business success are not rooted in union variety or direct resistance to any great extent.

This chapter on Nissan explored the history of Nissan in Australia and how the main discourses made sense of, and accommodated each other. It demonstrated that lack of recognition of alternate discourses, particularly the Australian, did not have the same outright resistance as exhibited in Toyota (demonstrated in the previous chapter). Hence although Toyota and Nissan arrived in Australia at the same time, under similar circumstances, it has been demonstrated in the previous two chapters that the discourses conceptualised the environment differently, processed information differently, had different identities and recognised different behaviours, values and attitudes hence the outcomes was quite different.

What emerged from the data as common to these different outcomes is the basic social process of Legitimising Resistance. The next chapter is concerned with this model of Legitimising Resistance which was emerged from the data through the process of grounded theory analysis, the methodology for which has been described in chapter 2. Legitimising Resistance is the basic social process that all of the actors engaged with to reconcile differing levels or absence of recognition.
Chapter 5: Findings demonstrated through exposition of the Grounded Theory model

This chapter represents the conceptual findings of this thesis in terms of the grounded theory model of ‘Legitimising Resistance’. This exposition concentrates on the concepts and ideas that constitute the basic social process of legitimising resistance in response to the core category of recognition. The first section explains recognition as it is the core category which has emerged from this study. The second section discusses the discourses and the way they take information in, the blinders and filters which affect this and the basic assumptions which emerged for each discourse. The third section concentrates on the concepts and ideas that constitute the basic social process of legitimising resistance, and how that translates to Toyota and Nissan with their introduction of Lean.

Specifically contained within this chapter is the grounded theory model - a causal, consequence, processual model, solving the main concern of the participants by legitimising their resistance. As discussed in the previous chapter, the main concern of the participants in the substantive area was how to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth. This model, legitimising resistance is the Basic Social Process associated with resolution of this concern.

5.1 Recognition

When an audience heartily applauds, it is a form of recognition that the performers have conducted themselves in a way that pleases the audience, so the applause is validation, or a form of operant conditioning. In the same circumstance, silence could be used as recognition of suspense, or alternatively silence could be an indicator of poor performance, audience disapproval or a lack of understanding. To understand the difference one must understand both the context of the audience, and the intention of the signal sender. Hence, it must be understood that in a social sense, context is fundamental.

Recognition is the central core category of the model, and it is the determination point for where the signal or information received from the operating environment (whether internal or external) is indeed a signal or piece of information inducing a
response, or if the information/signal goes unrecognized (an absence of recognition). For example, a signal might be the introduction of Lean technique, say a quality circle meeting is held to investigate completing a task with less manpower. Is this signal perceived as a necessary improvement to gain efficiency and quality? The Japanese discourse, and likely the Australian management team would say yes. The union, particularly at Toyota would say it is merely a metaphorical weapon with which to extract more from workers for the betterment of the company at the detriment of employee numbers. Adopting the former perception of this signal is likely to be rewarded by the company, adopting the latter is likely to invoke tension.

Responses to such signals have several potential consequences for the main and competing discourses. Importantly though it is the signal filter and core assumptions (both discussed below) will determine both what is recognized and how the discourse responds, and the consequences will then lead to some response, including one or more of the following:

- Rewarding (highlighting allowable focus)
- Acknowledging and punishing (refusing allowable focus)
  - Which ultimately leads to reduced power and
    - Legitimising resistance and/or
    - Socially excluding (by design)
- Invoking tension
  - Which ultimately leads to reduced power and
    - Legitimising resistance and/or
    - Socially excluding (by design)

Where a signal is not recognized, the potential consequences are:

- Invoking tension and reduced power
  - Which ultimately leads to
    - Legitimising resistance or
    - Social excluding (by default)

A signal is defined as being a piece of information from the operating environment. This may include such things as:

- a single event, for example a strike in protest by union workers
- a sign, symbol or artefact, such as the Andon board or clothing such as uniforms
• a pattern of information or behaviour
• a series of events, such as sources of success or failure.

In this thesis, signals refer to discussion, equipment, training, expressed or implied beliefs, attitudes and values all relating to the introduction of and implementation of Lean.

In both Nissan and Toyota, the concept of recognition is compared as it was used by the different discourses to bring attention to different elements of the introduction of Lean, ultimately both Toyota and Nissan solved the tension that existed by legitimising their resistance. Both main and competing discourses were able to bring about or resist change (being the implementation of Lean), either as a form of validation and therefore a reward, as a punishment, as a method of resistance, and also out of a lack of understanding. This occurred within the context of a changing and complex operating environment.

For the purpose of this discussion, it is considered that there are three parts to recognition, a signal in the form of an action, ritual or behaviour must:

1. be presented
2. be acknowledged
3. be validated (negatively or positively).

So to be recognized as ‘a something’, not only must a symbol, ritual, behaviour or pattern be presented in some fashion, the actors or discourse must acknowledge the existence of such, then potential consequences could include reward or punishment.

For the purpose of this discussion, it is considered that there is one form of non-recognition, that a signal in the form of an action, ritual or behaviour must:

1. be presented

Where an act of non-recognition occurs, that is, where information or a signal has been presented and has not been recognized as a signal by a discourse, and therefore to the discourse in question the signal or information is meaningless and or valueless, as it is not recognized as being any form of information. For example, in Japan there was a propaganda van that had loud speakers, and it was driven about Tokyo with particular anti-non-Japanese slogans being played for all to hear (Interview 17). Now assuming you did not speak Japanese, you would not realize
the slogans were chanting ‘Foreigners! Go home!’ so whilst you may recognize that it is a van with a driver, and recorded voice chanting, the meaning or implications to yourself you will not recognize. This is ‘non-recognition.’

5.1.1 Recognition and power

Recognition is a function of power, and power is also a function of recognition, the two concepts are inextricably entwined. It is essential to have one, to maintain the other. Hence if a discourse whether it is Lean, union or otherwise is to survive and perpetuate, it must have both, so the need for recognition is a consequence of the garnering or maintenance of power (which cements the control the discourse can wield).

What is recognized and validated (or conditioned for) and how recognition is bestowed provides robust insight into the organisational discourses and how they engage with and accommodate or resist each other and information from their environment, to maintain their existence. The data shows that the ‘existing’ and ‘incoming’ cultures have both commonality and distinct differences both between companies and across national cultures. For example both the case of Toyota and Nissan, indeed in all the main discourses the idea of paternity was rewarded, and conditioned positively, but not perceived universally. The competing discourses differed in how they rewarded or denied validation, based on which discourse sought to claim the position of paternity, and how. Key differences existed in which other organisational behaviours were validated around Lean and how validation was applied, which is reflected in what is recognized, or not, as the case may be.

Recognition provides a tangible insight into organisations or discourses and how they process information, and how reward and or punishment is afforded for behaviours of individuals or other competing discourses; it also uncovers how power is maintained or redistributed within and between competing discourses. Recognition is not singly useful in the sense that it is resultant of a visual signal, it also provides a conduit for illuminating the use of power between actors and or discourses, as well as assumptions, beliefs, values, attitudes, rituals and symbols as they demonstrate organisational culture, its bias, and the paradigm in which it operates. Indeed it is argued here that the recognition and validation of commonly held beliefs (such as Lean or unionism) and assumptions within organisation is what helps to form, define, maintain and or change the shared belief system that is organisational culture.
5.1.2 Recognition and Lean

To implement true Lean is to change an organisational culture, as recognition of the value of, and belief in the system of Lean is the only way it can be enacted. However recognition highlights the core assumptions which are acknowledged as ‘the truth’, who is validated as an ‘expert’ to bestow recognition, how such recognition is bestowed is discussed as well as how active refusal to validate assumptions, and application of selective recognition are used as a method of control or punishment. If a discourse does not recognise the superiority of Lean, or the necessity for it, the discourse will be resisted. Similarly if it is recognised as a threat, enemy or tactic to undermine the power or existence of a prevailing discourse it will be resisted.

Recognition also acts as a method to preserve lore which helps to define the reality of the group, and I argue in this chapter that the different discourses used recognition as both sword and shield in the battle to either attempt to be the prevailing discourse in the case of the incoming discourse, or to maintain the identity and validity of the separate discourse of which they were part, such as in the case of the unions.

The data has indicated that organisational cohesiveness does not come from a joint understanding of what recognition and or validation is offered, as can be seen at Toyota. Alternatively, a lack of cohesiveness does not result from differing recognitions within the discourses, as was identified at Nissan.

It is argued that in this process of presenting, processing and responding forms the process of recognition, which in turn continuously fosters and reshapes the reality that exists for the discourse. Therefore recognition underpins how a collective mindset of culture is maintained and preserved, or altered and reinvented.

The recognition of the need for order for organisation to thrive is a basic assumption, and one which all organisations are built on as the establishment of rules both written and unwritten is inherent in every organisation. Lean is one example of methodological organisation, unionism is another.

Contrasted are Toyota and Nissan, as the factory which was to become Nissan experienced relatively less demarcation in the translation between ‘old’ or pre Lean and ‘new’ or quasi-Lean (full implementation was not possible as the factory closed before this could occur). When Nissan took over the Motor Producers factory the
operation migrated gradually from a contract assembler to an exclusively Nissan site however the transition to Lean was less punctuated as there was not the minority stake, majority stake as was the case with Toyota. In Toyota’s case, the old (pre Toyota taking a majority stake, so AMI and AMI Toyota) and the new (post Toyota taking a majority stake so TMCA) discourses have been defined as the separate entities. Although the roots of the new, ‘attempting Lean’ discourse grew from base of the previous one, and it was these dominant logic roots which anchored the discourse, and provided basis for the process of legitimising the resistance in the longer term. Further, it is in the ‘old’ company discourse that the typically Australian discourse is defined, clearly delineated from the Japanese which is also detailed below.

Recognition is a function of the core assumptions held as ‘truth’ by the discourse in question. There are degrees of recognition, where complex signals are partially interpreted or information is missed. There is also a filter applied as to what is recognized, what defines which signals are rewarded and what defines which signals are punished.

Reward comes often in the form of reinforcement, leading to power, when signals to be defined as an ‘allowable’ focus, for example items considered in Lean would be those framed as promoting efficiency. Punishment means something is refused an allowable focus, and the actor or discourse is punished, typically with some form of social exclusion.

The need for recognition and the resultant subsequent non recognition or punishment is the cause for the main concern of the participants. In this thesis, recognition is emerged as the core variable and reducing the tension through legitimising resistance is the basic social process undertaken by each of the discourses.

This model operates both continuously and concurrently and is applicable for the dominant discourse as well as competing or minor discourses. Lean itself is too complex a concept to just introduce. It is a mindset as well as a continued set of changing processes underpinned by the tenet of continuous improvement. This however does not preclude this model from operating within any discourse as the sub cultures and individual actors jostle for power via ownership or directing the discourse, which aims to control the members within.
5.1.3 What defines signals being recognized by a discourse defining the discourses information signal filter.

Data showed that each of the main discourses had signals which were commonly recognized, signals that were recognized by one discourse and not another, and then other signals that neither discourse understood nor recognized. What is recognized, and how, is a function of the significant elements that make up the discourse’s history, which data demonstrated included country of origin and local geography, organisational group values and group identity paradigm, collective memory and experiences, where the boundaries of agency are placed and the preferred and therefore dominant format for information signals. As a discourse is unable to simultaneously recognize, process and assimilate all signals and information at every moment, these elements form the signal filter, which forms a tangible context with which information can be processed.

5.1.3.1 The use of recognition in the Japanese paradigm

Harmony is at the centre of the belief system, hence the Japanese, generally speaking, prefer problem solving with covert opposing forces. Disagreement or opposing views are dealt with in a more indirect fashion, as a direct opposition disrupts the harmony of a relationship. Animated argument demonstrates a lack of self-control, which leads to a loss of face. Recognition of these core assumptions is not made overtly; it is assumed as truth and not questioned (Hofstede & Bond 1988, Ferraro 2010).

Also significant, Japan as a nation has been attacked through various conflicts based on changing country boundaries, but have never been annexed by a rival country or colonized, and there is a sense of national pride in the nature of this preservation of culture, leading to an ingrained sense of superiority and desire to preserve the purity of the culture (Ferraro 2010).

Finally there is a heavy reliance on visual cues in Japan and typical Japanese companies will have displayed charts and particular information readily available to the naked eye, an example of how the methodology of Lean is recognised in Japan as the pinnacle of efficient and quality producing manufacturing techniques.

5.1.3.2 The use of recognition in the Australian paradigm

Balance is the underlying belief in Australia. As Australia has traditionally been built on the echoes of British ideals, the Australian legal system, roads and
infrastructure, governing systems, justice systems are all based on what was instituted when the British arrived to colonize Australia. A cornerstone ideal is the notion of opposing forces to counter each other, hence creating balance.

Australia is littered with examples of this idea of opposing forces balancing each other (government and opposition, prosecution and defence etcetera) and a classic example is the management union paradigm, where the union and management oppose each other to counter one discourse having more power and therefore taking unfair or unreasonable advantage of the other. The notion of a ‘fair go’ has long been touted as the basis for Australian culture, and hence to be ‘fair’ is to be balanced with all needs taken into consideration, usually through the conduit of discussion (to be a bit animated is quite acceptable, potentially even is considered positively) and conflict or opposing ideas being debated is considered essential as ‘proof’ of fairness or balance. This belief system runs counter to the assumption of Lean, that the needs of the company be placed above those of the individual.

5.1.3.3 The impact of local geography
Prior to the introduction of the internet, and the many advancements in communications technology, physical landscapes, speed and ease of travel and transport, and local politico-social, economic situations impacted and or controlled the capacity for the flow of information, which impacted directly on the power a discourse was able to amass and maintain. For example, should a particular industry union seek to strike, it cannot gain reasonable support from other factories if it is unable to advise its requirements and arrange coordinated action with other factories of a similar nature. Nor would the strike achieve its ends if factories fail to present solidarity, as the weight of numbers is the basis for union movement’s power. Hence disruptions to the flow of information in the form of geographic distance or disruption in terms of mountain ranges traditionally influenced the flow of information and therefore the power an organisation has over its members. Additionally, conditions such as localized poverty or language barriers leading to workers accepting lower rates of pay for example are therefore demonstrative of the power of the discourse. The formative years of each of the discourses have been discussed in chapters 3 and 4, and how the local geography impacted the dominant logic of the discourses was demonstrated building in limitations to what could and should be recognized.
Organisational identity – why it is valuable to exist?

The values within the group need to overlap with those of the individuals within, if the group is to maintain its existence. For example, protection of workers is the basis for the union’s existence, and even though the relationships between unions could tend towards being quite acrimonious and competitive for member numbers (interviewee 7, 8 & 32). The idea of the necessity for the unions for protection was an accepted truth in the Australian discourse. A person joined the union for a sense of belonging, protection and improved power. Without the union, although you could consider the company or team where one worked as also having the potential to provide the sense of belonging, the core belief in Australia was that the company would take advantage of the worker, necessitating the need for protection, hence the value of the union was protection, and better protection only came with higher membership numbers.

In the case of the automotive manufacturers, the idea that they were making cars, a symbol of independence, freedom, wealth, power and status as well as the practicalities of transport was an immense source of pride, and this reinforced the value of the factories (and those who worked within).

Group identity paradigm

The paradigm of masculinity was universally adopted across all discourses, however it was displayed differently with each of the discourses. For example, with the Australian unions’ discourses, physical fighting and combat engaging the use of force was both expected and accepted until the late 1980’s, when it became more verbal sparring. Management teams in Australia were autocratic, and problem solving was a case of verbal sparring with a win/lose mentality, typical of dominant masculine values. The successive governments in Australia were patriarchal, male dominated, competitive, and outcome focused on the ‘winning’ result. Competition continued to dominate at TMCA’s union paradigm and although Nissan identified heavily with the Engineering paradigm, engineering rationality is a sub set of masculinity.

In Japan, the company is expected to act in the role of the traditional paternal parent. To protect workers as a father does his children, so dismissing workers is incredibly rare, lifetime employment was the norm (Wickens 1985).
Although all discourses favoured masculinity, it was how it was enacted, which came back to the organisational identity, its reason for existence, as to where the boundaries of responsibility were laid for each individual and group.

5.1.3.6 Collective memory and experiences

Organisational history in terms of what it had learned and retained as lore was informed by where a discourse has been successful and unsuccessful. As success was power orientated for each of the discourses, where they were successful in amassing power informed the basis for strategy for the future. In the case of the union, they had to maintain a presence that was significant, operating in direct opposition to company changes, fighting for wages and conditions improvements were historically achieved by physical opposition, shouting, physical fighting, creating disruption, and according to Interviewee 7, a former shop steward:

giving the company a hard time basically.

The Australian based manufacturing organisations were accustomed to conflict, and the physical nature of the work, but also the senior management teams experienced the struggle to remain profitable, with receding government assistance, the end result being enormous pressure on the human resource, underlining the need for protection.

In the case of Toyota, historically they had unparalleled control over the workers due to geography and socio economic conditions, so their experience was that of one of universal, unquestionable superiority. Distance from main centres meant in production terms they fabricated what was needed, so the belief about their ability to self-satisfy without need from the outside world fed the sense of superiority.

For Nissan, although they had broken the strike of the 1950’s and bankrupted the union, ironically they were still being held to ransom by their own union. By the 1980’s with the head of the union had amassed substantial power, enjoying (Interviewee 26, an academic expert):

…a bigger office than the Managing Director.

Nissan was a company run in numbers, with a number of bankers on the board (Cusumano 1985, Ghosn 2002). It had traditionally bought in expertise or knowledge and equipment, from those perceived to be experts in the field. As it operated in fractured silos, the collective experience had been around operations
being quite divorced from each other functionally. Consistent with that belief, the overseas ventures were treated quite differently as discussed.

5.1.3.7 **Boundaries of agency**

A discourse seeks to determine where the boundaries are placed in terms of agency. Where the responsibility is assigned broadly across a group - for example in Japan the collective nature of the culture means the organisation takes more agency in taking greater responsibility for the individual. In turn individual agency is limited to withholding self so as to not impact others; hence a worker is an extension of the organisation to a greater extent.

Where agency is defined more narrowly as at an individual level, for example in Australia although the union ‘speaks’ for the employees, the employees themselves are invited to share individual views and openly debate opinions to a much greater extent. Additionally, in Australia whilst workers identify with the work place they do not see themselves as an extension of the work place, so identity in this case is tied more to the product, industry and or union than the company (although still within the boundaries of the paradigm). Typified by Interviewee 7 (former union shop steward):

> ...we do our job, we come to work swipe in, and get on the process of making cars. If we don’t want to wear a hat, we won’t, well we shouldn’t have to.

It is not assumed that the company purchasing a controlling stake in another has the mandate to exercise control over the existing discourse, and what has eventuated from the majority stakes taken in AMI Toyota and Motor Producers has been quite different.

From the beginning Motor Producers were sold to Nissan, where Nissan maintained the position of dominant discourse in terms of manufacturing and finance, however marketing was much more left to the Australian operations. They were more successful in many elements of the implementation of Lean.

In terms of AMI Toyota, the time taken for Toyota to move from the position of client, to minority stake holder, then to majority stake holder resulted in less clarity. Consequently the union assumed significant power, and whilst the entire company was operated as a Toyota company, in manufacturing the competition to control the
discourse retarded the desired change from the mentality of mass production to Lean.

5.1.3.8 Preferred method of signal – the visual element of recognition

All cultures use a variety of methods to communicate, however one of the ways Japan and Australia differ is Japan maintains a disproportionately higher reliance on visual recognition. This works as an overt method of recognition and a covert method of control. Indeed in Toyota and Nissan value is clearly equated with visibility. The Japanese need for and commitment to visual cues is hugely significant. Such examples in manufacturing include uniforms with stripes indicating rank, Andon boards, targets, commitments and results are published on display boards in each department (Interviews 3, 4, 5, 6, 8, 9, 12 & 21).

This commitment to flashing lights and signage encourages the viewer to focus their attention on such signs, so that even if the viewer is not cognizant of their meaning immediately, the individual's attention is captured at the very minimum. The information displayed works to stimulate recognition of the viewer and also encourages very subtly where the viewer is to direct their attention, itself a very clever method of demanding recognition and a process of legitimising what resistance might present, controlling without appearing to.

5.1.3.9 History

Significantly, although there were several attempts Japan has never been occupied, or ‘taken over’ by another country, with the notable exception of the allied forces post World War II, this was a temporary measure, intended to render assistance rather than control cart blanche, it still was a significant loss of face for Japan. Historically whilst there had been a long history of ongoing battles between clans and villages internally, the most recent industrialized 200 years were internally peaceful, and the collective identity of Japan is rooted in a long history (Ferraro 2010).

Australia’s history was quite different. The arrival of the British to colonize the nation with convicts and military in 1788 meant the Aboriginal population was considered ‘heathen’ and displaced substantially as the nation was built in the image of the UK, although the climate and terrain were very different (MacLeod 2006). A melting pot of migrants from the world over created by the gold rush years meant that there are multiple identities of what Australia is, based on the relatively short understanding of industrialized history (MacLeod 2006).
Each of the discourses within also had their own distinct history, as detailed in the previous chapters. Toyota was developed, self-reliant and in full control of its workforce. Nissan developed buying in and partnering, always looking to the engineering discourse to define and lead its advantage.

The Australian companies stayed afloat against the odds, pressing every advantage in a physically demanding, dirty and difficult industry (West & Murphy 2007).

The unions for their part sought to demand recognition as a means for protecting their members.

5.1.4 Action, the conduit of recognition:

Each of the discourses are made up of people who maintain a level of power to define the way tasks and behaviours were to be conducted, and ultimately shaped the reality of the group. Often cast in the role of ‘expert’ these people would hold power in terms of information flow (rate, extent of release). In the overarching sense, for the Australian discourses, Japan held the role of expert, as in both Nissan and Toyota they were bringing Lean to make more efficient the operations, as well as their cars, designs and engineering expertise. Indeed all of the signals including the ‘invitation’ from the Australian Government to manufacture in Australia were acknowledging that the Australian automobile manufacturing industry was not bringing the gains originally envisaged. It was accepted truth across the discourses that the factories were in need of greater efficiency, though the financial viability (or lack thereof) was not universally acknowledged at the time.

Within the Australian factories, ‘expert’ took on a different veil, as trades groups used their stated knowledge and experience of machine mechanics to exercise power. Before the introduction of Lean, the Quality Control group were also awarded power through their expert status, hence it is important to note that the real experts were those who could continuously gather information to be released at will to the advantage of the individual or discourse in question.

Those who hold the power therefore bestow the recognition, or know how to foster recognition to maintain their level of power. As this is a dynamic model, it is important to note that recognition can be redirected without the intent or permission of those in power. The process of legitimising resistance is aimed not only at
resisting the implementation of Lean but also at the redistribution of power as an end result.

5.2 The main discourses identified

5.2.1 The dominant discourse
The dominant discourse is the discourse that holds the balance of the power, however small that margin might be. The dominant discourse determines what signals are recognized or not recognized, what signals will be rewarded and what will be punished. It is the dominant discourse that seeks to shape the reality of the organisation, based on its assumptions, and the limited ability to recognize the signals based on its signal filter.

5.2.2 Head office in the home country and its representatives (the incoming discourse)
The head office or ‘home’ country is the management team and representatives that a company brings from its home country, which was in this case - Japan. The Japanese discourse is considered the leaders and owners of the incoming discourse, being referred to as Lean. As the designated ‘experts’ of Lean this discourse is the physical, human representation of the incoming discourse. In this position, and as the joint ‘owner’ arriving to rescue respective languishing manufacturing firms the key assumptions were that:

- Harmony is held above all else, therefore the chain of command must be preserved;
- The company is superior;
- The company will control without needing or appearing to dominate;
- Lean as a system is ‘the universal solution’ to making every factory efficient;
- Lean can be implemented anywhere, in any geographical location;
- Lean as a system negates the requirement for protection any other source;
- As the expert of the system, power and control will ultimately reside with head office;
- The Japanese discourse is superior, and must not be diluted;
- Measurability proves reality;
- Management defines reality by simplifying complexity for workers;
- The workers are entirely compliant, the minor discourses do not challenge;
• The workforce will put the Company’s needs before their own;
• The market is growing and will sustain the presence of the factory;
• Information flows are not rigid; there are no boundaries between groups;
• The company is the paternal father;
• The local government will actively support the industry.

It should also be mentioned that the Japanese, although not outwardly egotistical, demonstrated a core belief in their superiority. Their national identity is shared in this respect. All planning, production process expertise, substitution of parts from local suppliers, indeed any alteration to the approved system or parts required approval by the parent company according to a retired senior manager (Interviewee 3).

...the [supplier's] parts go through a formal process of measuring and testing so that they prove the parts are going to meet the requirements, and then the parts go to Toyota [Japan] for testing...to make sure those parts meet Toyota's requirements.

By acting and achieving collectively, the idea that everyone has ‘bought in’ or accepted the plan or ‘way forward’ operates to indoctrinate, reaffirm and form a sense of group cohesion which operates to exclude alternate points of view, before the action is undertaken. This operates as both a form of operant conditioning and fosters a cognitive bias. Individual agency is made narrower, and one must comply with organisational requirements because the organisation is the paternal parent (provider, disciplinarian, protector), and even subcultures are an extension of organisation rather than a distinct part. This in turn preserves the culture and its underlying assumptions, one of which is the notion of homogeneity, preserving the group. Another is that the culture itself is superior to other cultures. Subtle messages exist everywhere in Japan, reminding the visitor and resident alike of the superiority of the culture which is reinforced most prevalently by the notion of precision, but these messages are not acknowledged by the Japanese, as it is an accepted ‘truth’, the visitor is left to draw the conclusion of Japan's superiority. Messages of superiority in Japan exist in the perfectly pressed uniforms worn by employees across many organisations, in the near perfection of the public transport ability to meet the scheduled timetable, the gardens, the details of the buildings, houses and roads, even in the degree of self-control of the Japanese. The
observation was made by an Australian manager who worked in both Australia and Japan (Interviewee 17):

They want, they believe the Japanese culture is the best and they don’t want anyone to spoil it.

As with loud or aggressive argument being considered extremely poor manners and a lack of self-control, it is the same with overt promotion or displays of wealth or success in Japan. Although they believe in their superiority and success egoistical behaviours are almost never overtly clear. The culture acts to preserve the assumption that Japan is superior, but not overtly so as explained by (former Managing Director) Interviewee 16.

...there are plenty of egotistical Japanese but as a general management style they’re not comfortable with management based on ego and … you’ll see plenty of that in Japan too but generally they like negotiation and consensus and then commitment.

When one party claims (either overtly or covertly) a degree of superiority, this insinuates a degree of inferiority in the other party. Whilst the Japanese recognize their own superiority, what is never qualified or stated outright or resolved is to whom or what they are superior to. This innate sense of superiority is not qualified and so it is left for the observer to wonder what inadequacies they see either in argument against the culture or in themselves. Hence recognition of this disparity fosters resistance which must be legitimized as explained below.

It should be noted that it is not the intention of this thesis to argue whether indeed one nation or culture is superior to another, moreover that culture operates to preserve itself and fostering a sense of superiority is one such a method. It is indisputable that the Japanese are world leaders in many areas of technology and innovation, but national culture can be universally superior.

5.2.3 Host country management and its representatives (existing discourse)

The host country in this case is Australia, with the respective management teams as the leaders and joint owners of this discourse. As the commanders and controllers of the factory, their focus was exercising the conceptualisation in a typically modernist paradigm reflective of the American mass production inspired by Taylorist
or ‘Fordist’ influences in terms of methodology. This group operated on the assumptions that:

- Opposing views are required to ensure balance;
- Autocracy is the cornerstone of management in manufacturing;
- Conflict is necessary, solved by competition;
- Creativity is discouraged, initiative is limited;
- Measurability proves everything, numbers define reality;
- Australian produced products are inferior to European;
- Information and directives flow predominantly only one way- from management to employees;
- Employers are entitled to seek maximum output for minimum expenditure;
- Workers will seek the maximum pay, for the minimum work output;
- The motor car is an essential element of the Australian identity and manufacturing landscape.

Whilst it is argued that as both Japanese and Australian cultures operate with more masculine leanings and organisation takes on the role of paternal parent, the responsibilities are split in Australia, where the company is provider and disciplinarian, and the union fulfils the role of protector. With a historic division between what were essentially two classes (the convicts and the ruling class) the nation has traditionally operated to favour outright debate based on the assumption of opposing forces creating balance. Recent history (since colonization by the British) has also led to a sense of the need for rebellion against hierarchy, although the identity of the nation itself was not held as consistently as Japan, as articulated by Interviewee 9 (manager):

One of the issues in Australia, I think, is that we don't understand our own culture; therefore, we don't know how to build anything on top of it…. Maybe that's because of our multicultural background or whatever that's constantly changing, but that becomes a problem because you can't then build a sound system on top of another one that's not unknown...

5.2.4 The Unions (in Australia) a competing discourse

The Australian workplace laws are based on the system in the UK, and the unions operate dedicated to the ‘protection’ of workers, which is centred on the idea that a large group of the same type of workers has more power than an individual, safety
in numbers affording protection. In Japan the enterprise union system runs differently to Australia, as discussed in Chapter 1. In Australia the unions, as a collective, ran under the following assumptions:

- Opposing views are required to ensure balance;
- Conflict is necessary, solved by competition;
- Instructive information flows predominantly down from management to employees;
- Unions must continuously demonstrate their strength and presence, lest the management try to seek advantage;
- Employers will seek the maximum work, for sub minimum pay;
- Employers will potentially compromise safety to gain financial advantage;
- Distrust the company as it will always have its own profit as the first priority hence it will seek the advantage.

As mentioned, in Australia the union exists in a role of semi-independent ‘protector’, as compared with the enterprise unions in Japan. The Japanese unions tend to operate more as an extension of the company, and are the result of a legacy of the Allies attempt to westernize Japan. When the Japanese union attempted to establish their own identity away from the respective employer organisation, so to become industry unions, the movement was it was rapidly quashed (see Chapter 1).

5.2.5 External Operating Environment - Government & Community:

The government, having experienced heavy lobbying regarding the expense of product development with Ford and General Motors Holden operations, was dedicated to the increasing efficiency of the entire industry. With primary industries such as mining and energy rising to claim favour as a low resourced, high earning capability, they were to become one of the nation’s primary sources of income, but the automotive manufacturing sector was not considered a national priority. Indeed the cost of funding it was pronounced, as compared with mining where the direct economic input from government was much less transparent. The enduring assumptions were as follows:

- The protection afforded to the automotive manufacturing industry was out of sync with other industries;
- The automotive manufacturing industry should survive without direct, government financial intervention;
• The automotive manufacturing industry was inefficient;
• The cars being produced were of inconsistent and poor quality.

5.3 The clash of the discourses

Where Toyota and Nissan differ quite significantly is their core assumptions, and these in turn impact the company’s view of itself and how it responds, however the common concept is Lean. Essentially the process of Lean seeks to maximize efficiency of all resources and reduce uncertainty universally.

Toyota considered itself as being the discourse. The Toyota discourse is defined by its highly conceptual nature and demonstrates a strong capacity for managing uncertainty to give the illusion of certainty, which ignited resistance in Australia. Nissan’s discourse was operating in the engineering or technical paradigm, appearing to manage uncertainty myopically which conversely in the Australian paradigm actually reduced uncertainty.

When a company takes over or merges with another, it is expected that the new or resultant discourse cannot be entirely reflective of the new or previously existing discourse. What is universally recognized, so what core assumptions the incoming and existing discourses hold as the same is demonstrated in Figure 1 below where the circles overlap.

As organisational history and memory cannot be erased from either the incoming discourse, nor the existing, and the result is new creation made up of both discourses which are impacted by each other, as shown visually below in figure 1 as the ‘resultant discourse’. Over time the discourses will merge to a shared reality of the resultant discourse, but as the data has shown at Nissan Manufacturing Australia there was no entirely shared understanding reached before manufacturing closed. Still TMCA operate with the old or existing, pre TMCA discourse anchored and resisting acceptance of a joint reality, nearly three decades on.

If Lean is to be properly introduced, then the philosophy of Lean must be impregnated in the resultant discourse area. The need and desire for this change from mass production mentality to Lean mentality must be recognised and rewarded by all discourses if it is to take root. In the case of Toyota and Nissan there were elements of the discourse dynamics and external environment which went
unrecognised or recognised and punished, resulting in the legitimisation of resistance as explained below in 5.4.

Figure 1: A new, incoming discourse impacts an existing discourse.

The question becomes how does the creation of this ‘resultant discourse’ form? What elements of the incoming discourse are adopted, such as Lean, and what is kept and or displaced from the existing discourse, how is the identity of the resultant discourse established?

The answer is when the discourses come together they must go through a process that entails recognition, and results in reward, punishment, or lack of recognition at a discourse and at an individual level. Tension is a natural consequence and to solve the tension individuals and discourses undergo a process of Legitimising Resistance. The circles in Figure 1 demonstrate the individual nature of the discourses. The overlap is where recognition is a shared recognition of signals actions and behaviours. Where the circles do not overlap, so where the discourse exists but does not have space in common with another discourse is where signals are not recognized or recognized and punished, hence with the introduction of Lean. It is this tension inducing misrecognition (either non recognition or recognition and punishment) which the resisting discourse must legitimize to reduce
the tension, or succumb to social exclusion. If allowed enough time, the circles overlap through the process of Legitimising Resistance the circle becomes one, more reflective of a shared reality.

The process of merging to become a singular overarching discourse takes time, but to completely merge is questionable. I would argue that even though the process commenced for AMI in 1963, was made official in 1988, still the original existing and resultant discourses are not merged completely, demonstrating that the process of change is neither linear, nor fast.

Tension exists within the discourses if they cannot be or do what it is they consider they are valued for, hence this is non-recognition. A discourse cannot maintain this identity if it is to become a clone of the incoming or competing discourse, so tension and resistance is inevitable. As tension must be resolved, this is done through the process of Legitimising Resistance.

The discourse must assimilate information and signals from the external environment and its internal operating environment, which includes dealing with the opposing forces within it and between itself and other discourses. As discussed information is passed through the signal filter, the capacity to manage, bring change such as Lean and indeed achieve success is dependent on a number factors too great for the scope of this research, however recognition and punishment (or lack of recognition) and the consequences clearly have an impact on an organisation’s success.
This model of Legitimising Resistance explains the process of what happens with recognition in an organisation that contains competing or distinct discourses.

This process operates simultaneously, at multiple levels of the organisation, individually and between groups, and is detailed below.

Figure 2: The Process of Legitimising Resistance
5.4 Resolving tension through legitimising resistance

Where a signal has been received and it is recognized as a desirable action or behaviour, the ensuing reinforcement for the discourse does not preclude tension or conflict; however it does acknowledge that there are common elements to even competing discourses. Where tension arises as a result of competing ideals or methods, such as where signals are recognized and punished or the dominant discourse fails to recognize the signal itself, these acts lead to tension. This tension therefore needs to be resolved, and this Grounded Theory causal, consequence, processual model explains the means by which the participants solve their main concern of how to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth. This is done through the process of legitimising resistance. The following explains each of the elements of the model.

5.4.1 A signal is recognized and deemed a desirable signal – highlighting allowable focus

The validation of discourse or individual’s behaviours is a common social theme that runs through all human interaction since the beginning of time. In the case of this model, receiving reward from the dominant discourse to reinforce the desired behaviour highlights that the signal or behaviour is desirable. As the behaviour and consequence are both considered positive, there is not resistance and therefore no need to legitimize resistance.

This acknowledges the common or overlapping space (see figure 1) where discourses or actors agree or operate with similar joint consciousness, even though the values may differ, and it suggests for the minor or competing discourse an area of collaborative contribution. Given the nature of the assumptions listed above, particularly for the Australian discourses where direct opposition between unions and management has been consistently accepted as required for balance, this common ground can be found in the sense of pride in manufacturing automobiles, in the outcome being a car that all discourses were proud to be associated with, and particularly in Australia where the car forms such a part of the identity for many of the nation’s inhabitants. Interviewee 11 (former Human Resources Manager) explained.
It is here where the incoming discourse, existing discourse and resultant discourses overlap, as minimal or no change is required to any of the discourses or their value set. There is no challenge to the viewpoints, the only conflict may be within, where for example, the actor or discourse is encouraged to participate in work that is not within the strict bounds of his job description (as with Lean operators are expected to move to where the work is required, as compared with mass production where the worker tends to stay at their allocated station for prolonged periods). The Company management may reward the individual, or validate this participation but the union may punish him for deviating away from the commonly held union value of everyone behaving as one to afford protection for individuals. This demonstrates the dynamic, concurrent nature of the model as reward and punishment can be afforded for the same signal. For example an action of participation in improvement such as participating in Action Learning Teams (ALTs) at TMCA was voluntary and encouraged by company management, but and also punishable with social exclusion by the union. This was explained by one shop steward when he spoke about a company initiative called ALT’s which were designed to capture company knowledge (Interviewee 1):

…we [trades] were having nothing to do with it, bullshit, and there were maybe 3 tradesman on the whole site that went along…. We would say to them 'yes we know you are going off to arse-licking team' and they would reply 'yes we know that you don’t like us'.

The dominant discourse defines what desirable behaviour is, and the reward for such attempts to reinforce the behaviour of the individual or discourse. The reward is symbolic of the discourse which owns the balance of power in the organisation, and also identifies the sub or separate competing discourses and where the boundaries of agency exist for the respective organisations.

For example, to be a production worker, one is the member of a company (presumably the prevailing discourse), and also the union (the competing discourse). The company expects the production worker to undertake duties to further the company goals, which the worker does, but only to the extent that the union allows. He may not be able to use tools to fix equipment because the union has rules for demarcation, so although he may be capable of simple fixes he does
not undertake them, even though it would benefit the company, hence here we see the boundaries of what he can be taking action on are defined by both discourses. Where he would be rewarded by the company for taking initiative, he and potentially the company will be punished by the union; hence the boundary is defined by the company and union in this instance, as the company will seek to avoid industrial action from the union.

It is in this space where the boundaries of agency are consistent between discourses and as an individual the sense of agency is for the most part unchallenged. The discourses are not operating under tension of differing expectations and therefore forces are not demonstratively apparent. Whilst lack of punishment in and of itself could be considered reinforcement, validation or active reinforcement is what emerged in this model. There are acceptable uses of available energy or resources, and by reinforcing the behaviour or signal as desired the dominant discourse conditions positively for the action to continue. Ultimately where reward for traditionally accepted behaviour is where the boundaries of agency exist and remain essentially unchallenged.

5.4.2 Offering positive reinforcement highlights ‘legitimate’ focus or use of energy

Between discourses and within discourses, once a signal is presented the presiding discourse, in this case the Toyota or Nissan discourse define what is acceptable to expend energy on and or to continue to expend energy on and reward behaviours which signal understanding or acceptance of this types of energy expenditure.

For example in Lean philosophy, continuous improvement is a tenet. Hence whilst in Japan quality circles would be conducted at the end of a shift on the employees own time. In Australia it is perfectly acceptable for a production worker to spend time away from the physical job, to conduct scheduled continuous improvement meetings, however it is not considered acceptable to do this in the workers unpaid time. The concept of continuous improvement is an allowable focus; the meeting is an acceptable use of energy, although the timing may not be entirely sanctioned as far as Japan’s perspective, it is still an allowable use of energy versus ceasing production to strike or otherwise disrupt, signalling an allowable use of energy and gaining reward.
5.4.3 Positive reinforcement

What constitutes positive reinforcement is not only reflective of the paradigm and assumptions of the ruling or dominant discourse, but also the competing discourses as well. Positive reinforcement in the context of this model includes rewards, which are further defined with acknowledgement, power, or information that could be used to gain power.

5.4.4 Rewarding

Lean itself is very conceptual, and therefore it is impossible to have a defined, constant, fixed reality. Although the factories run in a modernist paradigm in the sense that the operator or employee is for the most part kept to within a limited scope of works, unlike the modernist approach Lean follows more the postmodernist paradigm which allows for shifting perspectives and shifting ‘truth’ based on framing and selective use of data. Toyota was superior to Nissan in the use of Lean to control and manipulate under the guise of Lean as process by limiting uncertainty. Nissan’s dominant discourse stemmed from engineering and hence made better cut through in Australia as it was more familiar in terms of the use of reasoning (mechanical) as compared to the circuitous, conceptual nature of Lean as it is enacted in Toyota. One of the key elements of Lean is the use and type of language. The labels afforded to processes (for example Jikoda, meaning automation with a human touch) reinforces control of the discourse and self-perpetuates the system, a continued redefining of the status quo to maintain ownership of what the status quo actually is. Thus ‘rewarding’ takes a different format for both companies, although universally power is the ultimate aim to maintain existence of a discourse.

5.4.4.1 Rewarding with power

When a discourse behaves in a way which is to be rewarded or reinforced, reward is more than likely translates to some form of power. Power itself is a concept; however in terms of this thesis it is used in the sense of an ability to carry out an influence to achieve the agenda of the individual or discourse. Power is as much about perception, as it is only when recognition is present that actual power can be expressed.

Success in terms of achieving financial or other improvements is often rewarded with power, but as power is not a static element, constant reward is necessary to
maintain or amass power, which is why individuals and discourses will seek for continued reinforcement.

The philosophy around cost saving and keeping production running irrespective was consistent across both organisations, both pre majority/takeover and post. Working towards this end made for a swifter journey up the ranks of management, and cemented one's reputation.

Speaking of the early management team at AMI, Masaharu Tanaka (TMC section Manager, quoted in Davis 1999 p 73) said:

They were deeply trusted by Toyota. We were very impressed by their attitude. They were both very cost conscious and set a good example to their people by not wasting money.

This is also consistent from within the union, the more one agitated, then the louder one was, the more likely they were to ascend the levels of power within the union. Interviewee 7 (former shop steward) said:

...basically if you if you didn’t hold up your end of the deal you’ll be voted out pretty quickly... There’s a lot of issues that I tackled that I didn’t think had merit but when you get a whole group of very influential people screaming at you basically … well not screaming at you but forcing your hand and just you have to go into bat for them [to maintain the position of Senior Shop Steward].

Stopping the line would be another example of offering reward of perceived power. Before the Japanese organisations took over the factories and they were running a Taylorist long run production style, the idea of stopping the running production line was tantamount to treason, so the idea that an individual; operator might be given the power to stop the line was beyond comprehension. The ability to bring a stop the line was held only by the most significant vestiges of power being the senior management, the union (when they went on strike), or an unplanned breakdown (machine or human).

The philosophy with Lean is to fix the problem on the spot, so an operator under certain circumstances may indeed stop the line. Where an operator is trusted, trained and an indoctrinated member of the Lean philosophy, they are indeed awarded this power. The power is really only perceived, based on the potential
capability to stop the line. In actual reality the supervisor is usually contacted a first response to a problem and as a last resort the line may be stopped momentarily, and whoever or whatever systemic problem was responsible for the issue will be addressed. For the most part, the operator much the same level of power as they had before, but their perceived power is increased, thus they are rewarded.

5.4.4.2 Rewarding with information
Information flow is one form of conduit to amass power.

Whilst Lean itself is very conceptual and therefore the experts, being the Japanese, are really the only ones able to define true ‘Lean’, the continued shifting of context allows this ownership to be maintained over time.

One of the key philosophies of Lean is flexibility; that is to transfer operators or resources from one area to another, based on the requirement of the day. This is framed in the literature a positive benefit for the workers as it ‘offers variety for workers’ and ensures ongoing work for the individuals. In the Japanese culture this shifting around offers a greater sense of community and feeds the perception of workers value and versatility, hence becomes a source of pride, and is framed as a reward. In Australia the movement provides the unanticipated consequence of increasing sources of information, to network and transfer information, and uses this information to the benefit of the competing union discourse. Thus moving around means different things to each culture and is used in different ways, importantly however for the Australian union discourse this was a source of power through information, even though this consequence was unintended.

5.4.4.3 Reinforcing with perception of increased agency
The concept that an employee would have more freedom or power as a reward for desired behaviour (such as being deemed a ‘good’ worker, and shifting about between different jobs or departments) then leads to the idea of increased agency. The more adequate the employee, the greater ‘freedom’ and the employee ‘move around’, the more information and therefore the more power one may pursue one’s own agenda, as touched on above. In actual fact, the more the concept of Lean is adopted, the lesser agency afforded the individual and the greater awarded the organisation. This makes the perception of agency and the actual reality disparate, but arguably the entire Lean paradigm is built on this philosophy. Hence Lean’s successful implementation is hinged on the assumptions it is more of an all-consuming ‘way of life’ that the more one accepts this truth, the more one can live
without the complexity of the world, and therefore the greater ‘freedom’ they can enjoy.

One Toyota manager, Interviewee 3, exemplified this:

The other thing that we tried to impress on them, was that it's not something that is just for work, it's something you can apply in your life, your day, the way you manage your family and things like that.

Again, as touched on above the differing perceptions of reward meant that the 'reward' was not always seen as such. An example, a union official explained (Interviewee 2), with a degree of disdain about the control the company exercised over its managers, so although promotion might appear to offer more agency, it actually offered less depending on the perspective:

...at once stage they had all the managers ...doing it [the morning exercises], and the Director or someone would be making sure they did it.

### 5.4.5 Rewarding leads to more recognition

The more recognition a discourse is afforded, the more perceived power they can potentially amass. If a discourse was to continuously conduct behaviours encouraged by the prevailing discourse it will be rewarded, and recognized and rewarded in an ongoing capacity.

When a former Toyota manager (Interviewee 4, former long term employee and board member) spoke of dealing with the Toyota (Japan) management team, explaining how wonderful it was to receive attention and recognition, leading to more recognition:

...these senior people from Toyota really took an interest and they not only listened to the presentation, but they said ‘well take me and show me.’

Taken to the extreme spiralling recognition has also a negative consequence.

This is clearly demonstrated in the case of Nissan Japan where the former head of the union (Ichrio Shioji). Shioji brokered his entry into the union and then arranged a deal to end the strike in 1958. By the 1980’s he had become ultimately so powerful that he had more control over the company than the Managing Director. A secret taskforce was assembled, complete with incognito implanting of spy cameras
and he was embarrassed into resigning, but not before amassing so much power that according to Interviewee 26 (an academic expert):

...if you looked at him the wrong way you would end up face down in Tokyo river.

5.5 A signal is recognized as an ‘undesirable’ signal – refusing allowable focus causes dialectical dis-attraction leading to tension

It is in this space that actual change can start to occur, assuming the dominant discourse can punish successfully the undesirable signals with social exclusion. Where it cannot enact successful punishment and the minor or competing discourse can effectively legitimize resistance, and the status quo will remain.

Dialecticism is where opposing ideas coexist in the same space, and by definition they keep each other in balance. Where ideas or forces do not balance, the lack of balance creates a shift in the forces operating between discourses, and it ceases to be a balanced arrangement.

This unbalancing is caused by information or signals having been received from the dominant discourse that behaviour for example has been undertaken which is defined as undesirable, and subsequent punishment ensues. For example, when a union calls for action and the workforce go out on strike, this creates a challenge for the dominant company discourse. The middle management are forced to explain to the senior management why the strike has occurred, with the sub text being that there is really no good reason as to why the machines are not running. The senior management must explain to Japan the same, the sub text here being that they are not in control of the workforce. So tension exists not only between discourses (union and management) but also within. This tension caused by dis-attraction needs to be solved, and this is done through a process of legitimising resistance as explained in the process below, 7. Legitimising Resistance, or social exclusion (see point 5.5.5 Punishment).

When there is a change to the power structure, or changing signals from the operating environment (in this case the dominant discourses coming in from having purchased a significant stake in respective ailing businesses), some change is likely to be pursued by the incoming discourse. In this case it is the dominant discourse
who defines what is ‘desirable’ and what is not, as well as signals from the environment. Once a new dominant discourse assumes control however, tension occurs where a previously acceptable or legitimate belief, action or assumption, ceases to be deemed ‘appropriate’. The discourses must resolve the tension between competing ideas and hence this is done via a process of either legitimising resistance, or punishment by social exclusion or both.

As it translates to Nissan and Toyota as organisations, it is in this directly oppositional, competitive space that the Australian workforce is most practiced at operating and the Japanese the least, as a function of history and beliefs. Outright competition is the basis of the Australian psyche, demonstrated historically by the Australian unions and company holding as truth the belief in universal and continued competition with each other as the way to ensure balance. This assumption is based on the idea that equal opposing forces dis-allowed one or the other to gain disproportionate power. This also rests on the assumption of distrust, as the two groups must hold a level of distrust to maintain the boundaries around their respective discourses; this competition operates to preserve the discourse also.

In a given competition however there is eventually a ‘winner’ and a ‘loser’. Hence in an Australian context competition could only conclude if the company was to close or the union was to disappear, hence the vested belief in continued competition was made by both union and company, which in turn worked to maintain both discourses and preserve the underlying belief system. Further, the union identifying itself as the vehicle of patriarchal defence and protection assumed through the masculine behaviours translated to the continued fostering of such competition.

Japan however does not operate with the traditionally direct competitive system. The unions are a vehicle for those with their aspirations on management and therefore the compliance of the group is paramount, as is the maintenance of a single dominant discourse, being the company, without direct opposition. In Japan, the company is the benevolent patriarch.

Against a back-drop of the Japanese belief that the company was ‘father’ and operated on the role of ‘protector and provider’, this denied the position of the Australian union’s historical position of protector. Additionally, the use of Lean attempted to subtly re-establish the power structure by attempting to define a new reality. Indeed the need for opposition was not valued by the incoming discourse; it
was frowned upon, punished as an undesirable signal. Interviewee 4 (former long term employee and board member) explained:

...I think we have an overly influential element of control by labour unions.

Hence undesirable behaviour, such as any group who questioned the motivations of the company, or caused disruption to the manufacturing, or failed to embrace Lean and all its associated assumptions, were punished by an attempt to socially exclude that discourse, group, behaviour, person or idea. Where the idea or behaviour being punished was the reflection of a long held belief system or element of identity, punishment created tension, this then lead to the need to resolve the tension expressed as resistance, hence the need for legitimising resistance.

The first step, punishment, however, was the attempt to use social exclusion, to refuse to legitimize the focus, and refuse to condone energy expenditure in certain activities even though it may had been acceptably expended there previously. Social exclusion as punishment is a universal method of discouragement and can occur irrespective of nation, history, belief or assumptions; it is one of the few consistent rules of organisation.

5.5.1 Refusing to legitimate focus for minor or competing discourses, causes tension between discourses

The act of labelling a signal ‘undesirable’ results in the signal or act itself being deemed illegitimate. This refusal to continue to allow various behaviours effectively has the effect of redefining the boundaries of agency.

The entire philosophy of Lean is based around the main discourse owning the discourse with a high degree of compliance, so discourses that vary from the main are viewed upon with a sense of unspoken inferiority.

According to Interviewee 17 (Human Resources Manager):

So there's order in everything, there's a process for everything and it's very difficult to change process for anything. So if you can ask for something outside of the norm it won't be done just straight away even though it will make enormous sense and very easy to implement yet they won't allow it because it doesn't follow the process.
An alternative example of this is when Toyota attempted to arrange a single union to cover its Altona site. It recognized the AMWU, but refused to recognize the ETU for 2 years as explained by Interviewee 2:

...they wanted to make it one union site and that was the AMWU, so they recognized the different divisions of the AMWU, the tecs, the vehicles, and the metals but refused to have the ETU recognized.

It should also be explained that within the complexities of organisation, what could be ‘acceptable focus’, such as continuous improvement, may not be considered an acceptable use of energy, such as when continuous improvement meetings descend into non task related matters, even if this discussion is considered essential to relationship maintenance.

5.5.2 Dis-attraction – when directly competing ideas operate in the same space inducing tensions between discourses

Paternity and the associated ‘protecting’ of the employees was one of the key areas where the incoming discourse refused to allow legitimate focus for minor discourses, and also serves as an excellent example of the attempt to reassign the boundaries of agency. The basis of the Japanese belief system is that as all parties are interlinked, therefore the company will provide adequately for all is stakeholders cast in the role as the ‘father’. The stakeholders for their part must surrender their rights for individual decisions regarding work duties and tasks, hours and other administrative issues. This famed ‘flexibility’ element of Lean is framed to be an advantage to the worker who has more variety and skills, hence one may appear to have more freedom, but one actually has less.

The union for their part in Australia had been historically considered as the ‘protectors’ of the employee rights and safety, the balance to ensure a company could not take unreasonable advantage of its employees.

By seeking to operate in the space of paternal protection, the incoming discourse effectively denies the need and the right for the union to operate as they traditionally had, and historically needed to in order to provide a level of protection. It also assumed a level of trust existed between management and employees. Hence ultimately the Japanese belief system in turn refuses to legitimize the focus and
necessity of the union, ultimately refusing to acknowledge that there is a need for the union to operate as a counter balance.

Underlying this was the belief in systems of unionism. Japan follow an enterprise system as discussed however there is little to no resistance from the unions in Japan, it is a largely symbolic arrangement adhered to as a historical condition of post-World War II occupation. Australia follows an industry based system that is as based on an adversarial function. That employees could have (or needed) more than one choice of union seemed a waste of energy particularly in Toyota; the presence of an oppositional union was also a barrier to control and compliance. Hence Toyota attempted to arrange a single union site once the consolidation at Altona had been confirmed. The end result was that there were two unions ultimately responsible for organizing the workforce, a super united competitive force which was not controllable by Toyota, and acted against it as discussed in the Toyota Model chapter 2.

5.5.3 When opposing forces don’t balance and instead invite tension between discourses

In the Australian manufacturing environment, typically issues are resolved through competition, hence to have directly opposing viewpoints operating concurrently created tension between the discourses, and this tension was attempted to be resolved through by the union through competition. Whilst initially the incoming discourse was content to allow the dialecticism to exist, the union sought to define itself as separate and independent of the company, rather than have an incoming discourse occupy the space in which the union had positioned itself.

From Japan’s perspective, bringing the Lean concepts to Australia, it was assumed that the factory would behave in a similar fashion to Japan, and if they did not immediately they would come to see the superiority of the system gifted into the Australian management’s hands. Interviewee 9 (manager) said:

…there's a lot of respect between the Japanese part of the business and the cultures of the other countries and they don't like to be seen to be involved in that discussion too heavily. Out of respect, they would say that's for you to answer, not for us to question.
The implication is clear that Lean was believed to be superior and if the Management could not bring the workforce to understand that, the problem was the management, and the workforce, not the system.

Shifting public sentiment underpinned the paradigm shift, with striking unions who order their members off the production floor were subject to eroding public sentiment. The messages from the environment from the late 1980’s were that strikes were being seen as increasingly unwelcome and an inappropriate method of solving disagreements. A succession of governments legislated to reduce union organizer accessibility and strike activity. Additionally, even though a strike may be legal, the lack of production has to be made up for at some later date. The actual reason for a strike has to be resolved however and the organisation will enact some punishment for the discourse (or the perceived trouble makers) that perpetrated the act, just as the act of striking itself is a punishment of sorts.

Occupational Health and Safety was another issue that both company and union discourse used to legitimize their positions. Both organisations espouse employee safety is key, which is also consistent with signals from the external environment. Safety was a legitimate focus for all discourses within the organisations, but what constituted safety would at times become an unallowable focus and therefore a source of tension.

Traditionally within the realm of the union to champion safety as one of the elements of protection afforded to members, this became an issue when the incoming discourse also claimed responsibility for providing protection and understanding for employees in this environment. Subtly the incoming discourse sought to replace the union in key areas of operation and therefore the tension arose as the union asserted itself via a process of legitimising resistance.

5.5.4 Forcing the definition of reality brings tension between discourses

Lean was also introduced as a methodology which was highly conceptual in its application and impossible to define in any real concrete fashion, as the Taylorist approach is. There was no set methodology unless one was an ‘expert’ in which case Japan was the font of knowledge. Hence Lean, whilst being demonstrably more efficient, is also an effective method of exercising a higher degree of control than Taylorism, but much more subtly and without appearing to dominate.
Once Lean was introduced, it became the new reality, and it was a case of participate or be punished. The forcing of this new reality was evident from the moment both companies took controlling stakes, though the sense of desperation for recognition of having bought into the new reality was clear at Nissan, Toyota were resistant to the ideas presented. According to interviewee 8 (Human Resources Consultant):

So the Japanese don’t tend to influence the workforce directly on the shop floor but they influence the managers, the senior managers.

5.5.5 Punishment – Socially excluding

5.5.5.1 Direct exclusion

Punishment is aimed at reducing power of the undesired person or discourse, hence why ultimately it ends in social exclusion. The discourse who decides which people/groups or what behaviours are acceptable and what is not ultimately hold the power within any organisation, irrespective of size, background, assumptions culture or belief system.

Each of the discourses also demonstrated punishment by method of exclusion.

The Federal Government historically favoured the mining and energy industry. In a 1983 ‘Top Secret’ report by Hugh McBride, automotive manufacturing were being excluded:

...export facilitation was supposed to enable the expansion, through exports, of the world competitive sectors... it was established on the basis of enabling our world competitive energy and mining industry to expand at the cost of even the most efficient sectors of the motor industry.

Japan seeking to preserve their nation’s independent existence excludes foreigners as explained by Interviewee 17 (Human Resources Manager):

They want, they believe the Japanese culture is the best and they don’t want anyone to spoil it. [for example] there’s vans in Tokyo with big speakers on, that go to patrol every day, that you hear them talking in Japanese and what this is they’re saying ‘go home foreigners’.

The Australians were equally excluding (Interviewee 1):
it’s all a load of bullshit. There’s very little Japanisation in here, we don’t go along with it, we put a stop on it immediately they start

Within each of the discourses, exclusion also existed for those who did not participate within the discourse rules (or organisational culture). The companies attempted to exclude the unions or people who did not engage with Lean positively. The unions themselves also excluded those who over engaged with the company initiatives. Additionally the companies excluded the groups within the companies who created displeasure. One shop steward explains where the Human Resources function was unable to prevent or prevent the escalation of strike action, they were excluded (Interviewee 1):

Especially if the trades have a strike and they are more nasty the longer they went for, within 1 week or 3-4 weeks of that we come up here and find they [Human Resources] are all gone – sacked, moved, sidelined.

In April 2012, Max Yasuda the CEO of TMCA had convinced head office that the only way to bring about change was to remove some ‘trouble makers’ in the workforce, and 350 people were made redundant amongst a furore in the press and union circles.

As to the legitimacy of the criteria used to select the individuals who were to be made redundant, I asked a former shop steward if these people were the ‘trouble makers’, the sorts of people who created trouble for the sake of agitating the company, or seeking unfair advantage at the company expense and he responded in the affirmative with (Interviewee 8, Human Resources Consultant):

People with a lot of breaches of attendance, people that refuse to wear uniform, it was a range of quite a large criteria and they got scored based on that… potentially 40 per cent of the union safety reps exited the company... At the end of the day they’re scored on a criteria. One can argue the criteria was designed around them.

5.5.5.2 Indirect exclusion

Exclusion was also indirect. The pressure to preform was high, so perceive non-performers were gradually sidelined or self-excluded when they could not meet what were at times unrealistic expectations.
There was also the preservation of expert status, which operated to exclude. One manager (Interviewee 3) explains:

Well the Japanese people used to have regular meetings and they would talk about all these things... we did not go to them, and they were all in Japanese so we did not know what was going on..

To continue to be included, there had to be a sense of wonder, and amazement about the company and its achievements, with an almost religious fervour, whilst always deferring to the experts (Japan). To not demonstrate this wonder, was to become disillusioned and self-select out. The sentiment is reflected well by one Toyota Manager (Interviewee 9):

They changed my understanding of development and that by seeing how they did that and being lucky to be involved in part of it, delivering it. This probably comes back to where Lean, I suppose, struggles as well; they observe the system, they don't understand the design of the system. There's so much and it's so complex that you can't even teach the people out there everything about the system.

The visual representations, charts and departmental reports pinned on walls also allows for a very effective collection, control and dispersing of information, so whilst informal networks still operate very effectively, this method of quasi-passive information dispersal allows Lean to create a level of expectancy around the achievement of goals. There is no escape or excuses for those unable to achieve as the commitments goals and corresponding results are published openly, the success of a department (or otherwise) is rapidly available for all to view. The better performers are immediately obvious to the onlooker, as are the underperformers. Aside from the consequences of failing to perform, the implication is that one does not want their shortcomings made public hence the use as a method of subtle but effective control, notably relying on the Confucian concept of ‘face’. Positive results would give ‘face’ and yield positive attention, in the longer term promotion or reward. Negative results would mean a loss of ‘face’, longer term punishments potentially including being sidelined or demoted. Although the concept of ‘face’ does not overtly appear in the Australian context, the idea of avoiding failure being made public is certainly very disagreeable and one preferably avoided in most situations.
5.6 **When signals are not recognized – Dialectical un-attraction**

It is also in this space also that actual change can also start to occur, assuming the lack of recognition from the dominant discourse can undermine the power of the minor or competing discourse and therefore (potentially unintentionally) cause social exclusion. Where it cannot, and the minor or competing discourses are able to effectively legitimize resistance (point 7), the status quo will remain or change will be driven from the minor discourse.

5.6.1 **Denying allowable focus encourages tension within the discourse**

Where previously there was refusal to allow focus or energy to be expended, here the consequences of energy expenditure are not acknowledged, not recognized, hence they were denied focus.

Traditionally the concept of masculinity had been celebrated by union and management discourse alike, both focusing on the competition to solve tensions between discourses, and opposing views balancing each other, to disallow either to become disproportionately powerful. In particular the union identified itself as protector and champion of the workers.

As the espoused philosophies of Lean aims to ensure worker safety and protection, Lean aims to appear to fill in part this space of protection. The Japanese philosophy of historically employing workers for their lifetime traditionally filled the void of job protection. Hence wholesale acceptance of Lean in the 1980’s meant it negated need for a union in the format it had existed. Hence the Lean discourse failed to recognize the history, importance and long fostered belief in the union system, and attempted to afford the company a greater degree of power and control over the workers.

An example to explain this was the desire to make the Toyota Altona site an enterprise style single union site.

This decision was enacted based on the assumption that a single union would be easier to manage and control, as it would ultimately be more compliant. This made sense from Japan’s enterprise union experience and history, and was based on their belief that the fate of all employees rested in the hands of the company alone. Without competition from alternative unions organizers would spend energy doing
their role on the production floor, rather than creating industrial relations difficulties or competing with other unions for recognition.

The belief that this new ‘system’ of singular enterprise unionism and singular site, and the physical change in process, would be the key to bringing about the changes needed to unify the manufacturing workforce is demonstrated by the accepted dominant logic Toyota believes.

By inviting the union to the ‘planning stages’ of the new site Toyota appeared to be consulting and attempting unification, when in actual fact it was simply a method of attempting to increase control, which denied the nature, experiences and history of the union discourse. Japan failed to recognize the history, validity and necessity of the union movement. Explained by (former Senator) Interviewee 23, involved at the time:

In the classic Australian Industrial Relations style, you know, some kind of bundle as a compromise was put together and all sorts of undertakings were given [regarding a single union site] but it was never really delivered… for the Japanese, the Australian industrial relations system is just something which they find almost incomprehensible. It is so far outside their own experience in Japan that they don’t really believe it.

5.6.2 No opposing forces to create balance forces in the same space invites tension within the discourse

Australia is built on the assumption that opposing forces balance each other, hence the need for the union discourse to create balance against the company taking undue advantage. Where this system falls away is where there is no direct opposition to counter balance. At Toyota the main discourse did not seek to compete with the union, it was entirely ignorant of the history of, and need for the union. The incoming discourse considered itself to be superior, hence it did not seek to oppose any other discourse, it sought to be the discourse.

Toyota’s approach to a single union site is a good example. Once it had been established that the company would move to Altona and all manufacturing would be consolidated there, the belief was this would unify the manufacturing group, and the boundaries delineating individuals and groups would be eliminated to allow the flow that was espoused to exist in its other sites. In discussion with the unions, Toyota
had identified that in their experience (or cognitive bias) a single union was the best arrangement, as a single union was a reflection of unity, the perception was it was more similar to the arrangement in Japan. Indeed in their initial meeting with the union, they stipulated their “Key elements for the Human Resources strategy for Greenfields site” included:

- single union coverage with and enterprise focus

And

- Construction of new facilities to be free of industrial difficulties.

The belief this new ‘system’ of singularity as discussed above was an unchecked assumption which accepted by Toyota.

The key failing was the Australian system of Industrial Relations is based on opposing forces, and as the incoming discourse did not provide any resistance in the form that had traditionally been operating. Production had to continue, so in order to avoid strike action, managers acquiesced to union pressure, seeking to avoid dispute. Interviewee 2 explains:

...we have just done one EBA (Enterprise Bargaining Agreement) and we didn’t’ give them anything at all, they give us a pay rise for nothing and we didn’t lose anything.

5.6.3 The organisational signal filter - failing to recognize collective memory, history, differing boundaries of agency, signal methodology

There were some significant unintended consequences to the absence of recognition of the competing discourses and their history. The collective memory of each discourse was not understood, leading to false assumptions about the level of trust between company and employee, with Japan assuming a much higher level of trust and interpersonal relationships between management and workers.

This in turn led to the minor discourses using the process to gain more recognition and therefore more power (as demonstrated in the Toyota chapter).
It is clear that the boundaries of agency were set at different distances for the different cultures, with Japanese companies taking a far greater responsibility for workers, but expecting a higher level of compliance and therefore control.

In Australia enthusiastic debate and competitive positioning are considered essential to resolving tension. Yet in the Japanese paradigm outright disagreement or enthusiastically loud debate is considered extremely poor manners, and is recognized as a lack of self-control. This failure to recognize alternate perspective was proof to Japan of their superiority over a nation that still is ‘just a British colony’.

A Japanese Production manager for Toyota who had worked both in Japan and internationally made the observation that when faced with conflict, the Japanese quietly step back, assuming the other party will do the same. This action allows space for a solution to be created that suits all parties. He went on to explain that the problem with that process was, if the other party did not ‘understand’ they would step forward into the vacated space to claim advantage, so the Japanese would potentially lose advantage the silence designed as a signal of disapproval misunderstood and at a cost to Japan.

Signal methodology is another example, where visual signals and cues are favoured by Japan, and auditory is a far secondary or inferior. Silence is either for thought or polite refusal in Japan, whereas in Australia silence it is often taken for acquiescence.

Perhaps the more significant failures of the incoming discourse can be characterized by the complete lack of recognition of the basic assumptions of the workforce that is explained by Interviewee 7 (former union shop steward):

...there is a perception that as soon as management want to implement something or change something that they’re taking away from the employees.

Failing to recognize the history of the organisation also undermined the power of the dominant discourse, as explained by Interviewee 1:

Yeah we go in there and find something that happened years ago they don’t know about, they don’t remember, we have been here in the same role for 20 years, for us it’s like sitting on an island watching the evolution of another plant.
5.6.4 Indirectly socially excluding

When the need for recognition goes unfulfilled, the frustrations build until individuals self-select out, or legitimize alternate actions by legitimising resistance. Potentially this is a form of unintentional social exclusion.

An example of this process might be the line speed, which increased pressure on performance.

A VBEF report from 4th May 1976 explains the pressure of the line speed being so high that jobs were measured in minutes and seconds, where a task might have 2 minutes and 5 seconds to be completed per cycle, and it was

...too much work for one man, and that he was rushing all the time.

The report offered no specific statistics but attempted to characterize the desperation of the employees, for example:

There are 20 to 30 or so men away each day, but the output is the same. Many times during the inspection, we have been told that the jobs of those away are shared by the rest of the workers.

And from an organizer (Interviewee 32):

Unfortunately when Nissan itself bought the plant, it was an old plant and it needed a lot of investment. I used to service the plant when I was a young organizer. You'd go in and you'd see things and you'd raise the issue with them and it would either never get fixed or would take ages to get fixed.

Lean by nature assumes a degree of control that actively excludes the presence of minor or competing discourses. This indirect excluding was a tactic which did not go unnoticed. In their 1985 Vehicle industry report, ADSTE delivered the following verdict on the Victorian Government’s Car Industry Advisory Committee that it had:

...proved to be simply a forum for the employers to air and promote their policies on such things as Just-in-time programs and to launch not too subtle attacks on ‘the union’. The other negative area is the plethora of programs such as Quality of life, Quality Circles, Employee involvement schemes and so on…. They are almost completely ruled and guided by the company with no participation and control by the unions.
The lack of recognition of these elements leads to tension and therefore social exclusion where a person or discourse self-selects out, resistance which had to be legitimized.

5.7  Legitimising resistance – resolving the main concern of the participants

Heraclitus referred to the constant nature of change in circa 400BC, but humans are still as a group generally initially apprehensive and resistant particularly to systemic changes. To quote the former union head (Interviewee 32):

Like most people, they objected to forms of change, but they weren't totally resistant to it.

What has emerged is a concept of respective incoming discourses which attempt to bring change. What is recognized and rewarded or punished, and what is not recognized will change with the incoming dominant discourse, and signal filters of the discourses involved. Punishment or lack of recognition causes conflict or tension, and does not automatically result in change. The incoming discourses may attempt to own the discourse, but as demonstrated what is recognized and punished or not recognized causes tension which must be addressed, and resolved in some way.

Patterns in the data emerged to indicate that in the process of change or maintenance of the status quo were the same for both organisations. Reconciliation of tension for both Nissan and Toyota in Australia have followed the same model to resolve the tension created by changes in recognition brought by the incoming dominant discourse. Some change was enabled, but not to the extent required or envisaged.

All discourses have to reconcile the tension caused by recognition and punishment, or lack of recognition hence all discourses will go through a process of legitimising resistance, irrespective of the cause, and irrespective of if they are resisting or being resisted. It is how they solved their main concern of the participants is resolved regarding recognition and reward or punishment, or lack of recognition.

Further, it should be noted that of the process of legitimising resistance, the dominant discourse will not enact every element, however the minor or competing discourses will.
5.7.1 Legitimising resistance, the act of resolving the main concern of the participants

Once a new discourse arrives, it will inevitably bring change through what is recognised and how it is dealt with changing which brings tension. Tension that erupts as a result of afore mentioned unbalanced dialecticisms, must be resolved or dealt with. Where a particular action is in favour with the core values held by a discourse, but the action is discouraged, punished or at the minimum not rewarded by the dominant discourse, this invites tension, as it alters the nature of recognition.

For example: to take action which moves against what the company has asked or implied is to reinforce boundaries between union and company. To instigate industrial action or otherwise ‘disrupt’ the company from achieving its desired outcome is a power struggle based in recognition. Although the different discourses conceptualize the nature of interaction differently, it is indeed about recognition and the consequences are discussed above. The shifting of power to or from discourses, for example the responsibility for the basic protection of workers being skilfully manipulated away from an independent discourse to mesh with a company dominant discourse, the disruption and altercations between groups are all reflected in the process of recognition, and dealing with the need for positive recognition from constitutes is an ongoing requirement of maintaining power. Where recognition is not bestowed in the manner required, tension occurs and this must be reduced or solved.

Hence the main concern of the participants is solving the need for recognition to be bestowed in the way the discourse with which they identify with requires, specifically:

How to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth.

This need for recognition is resolved by legitimising resistance.

Discourses operate for a reason, and this reason is usually to answer a question (Schein 1996). Whether the question be historical or contemporary whether it changes as a function of signals from the environment or holds tight to a set of ideals ignoring all else. Where a discourse expends energy to assert itself and preform the function for which it is understood to exist, and it is not recognized or
punished for doing so, tension is caused either within or between discourses. This means the discourse will seek to reduce this tension.

They do this by proving valid use of energy, defining validity of discourse identity and assumptions, defining their definition of agency, and these are philosophically based on the dominant logic of the discourse in question.

5.7.2 Proving validity in the use of energy

Where an action or signal from a discourse was met with either punishment or non-recognition of a particular action, the strategy to prove validity adopted in Australia was outright opposition, in Japan was quiet disapproval. Ultimately however there was still a process of proving the validity of the use of energy to continue with the behaviour or signal in question via justification as to why the behaviour need to be and rationalizing the allowable focus, that is, why it was important to spend energy there as opposed to other areas.

5.7.2.1 Justifying legitimate focus

To justify is to draw attention to what is 'right' or 'reasonable' regarding the focus or energy expenditure.

Consider that Lean by the nature of philosophy focuses attention on the concepts, which effectively maintains a shifting reality. This means that the only true 'experts' can be the system designers and therefore the Japanese. For example the use of 'Continuous Improvement' as a tenet in the Lean paradigm is also an example of the use of recognition to drive perception and therefore both justify and construct the desired reality. As the nature of continuous improvement is ongoing, it cannot be held down to a specific, measurable reality on a constant basis. The incremental improvements which are sought and implemented can be measured, but even then the outcome is sometimes not as clear cut as for example, two options operating in parallel realities and subject to comparison testing is not possible.

However the method of seeking continuous improvement is in and of itself, endless. Therefore as a source of recognition for the individual it is fleeting, as once an idea has been validated via implementation it is gone, and the expectation is the void must be filled with a new idea for new improvements. This process fosters both the creation of uncertainty, whilst concurrently allowing Japan to occupy the position of 'expert'. Fostering uncertainty to recognize the idea of certainty being Lean allows
Japan to continuously change the parameters of what is required, keeping the individual on shifting ground, whilst the company always appears stable. This also allows almost complete ownership of the discourse without directly dominating, and justifiably so if one is immersed in the belief that Lean is the most superior process for manufacturing.

Hence the justification for outright opposition as a strategy came as a result of historical belief in competition and opposition. This underlined the way the union would legitimate their focus, by continually offering example of the excessive control the company sought to adopt as proof or justification of the need to focus on continued opposition.

As explained by a Interviewee 7 (former union shop steward):

Now it kind of depends on who you were really. Some people would grin and bear it, some people would love it, some people would hate it, you know, being told what to wear, how to wear it, how to stand, how to ... sometimes it gets a bit overwhelming and, you think, you know, let me be a person, kind of thing.

5.7.2.2 Rationalizing allowable focus

To rationalize further narrows justification to the area of focus which is desired draw attention therefore reducing the scope of argument, and eliminating alternative perspectives. By drawing forward items of information and facts, consequently the attention is drawn to the desired area and undesirable perspectives are nullified or denied.

For example the union, who were interested to present themselves as not entirely adversarial and demonstrate that the work that was required was still going on in spite of circumstance and challenges (Interviewee 8, Human Resources Consultant):

...our engine plant which is called the Power Train, very old equipment. ... it was the first Plant outside of Japan established in the 70s, early 70’s and it had a very embedded culture of you know dispute, problems and what not but they still manage to build engines.

From the company perspective, one director proudly explained that whilst Toyota was the expert and how generous they were with their energy. The statement
rationalizes the deep and extensive control Toyota exerts over its supplier and other stakeholders (Interviewee 4 former long term employee and board member).

They [outsiders] don’t understand the ways and means of how this wisdom that’s contained the DNA in every level is done at every single outlet and if it doesn’t work the first time, don’t worry, we’ll teach.

The subtext here is when resisting (or being resisted), if the reasons for doing so are rational, then they are legitimate, and can be displayed for recognition. If they are still not deemed a ‘acceptable focus’ the legitimisation process can occur again.

5.7.3 Defending identity

The identity of a discourse is reflective of the values it holds, its reason for existence. The members of the discourse must maintain a stake in the collective belief system and identify themselves with the discourse, if they are to stay. It is possible to have multiple discourses with which one identifies with, for example one could proudly work for the organisation (the dominant discourse) and equally be a proud union member (the competing discourse). The challenge comes when the discourse one identifies with is being punished with social exclusion or performing well in its desired capacity without reward or positive reinforcement. Identifying with and reinforcing identity is key to the survival of a discourse, if it is to maintain recognition and therefore power. Social exclusion undermines discourse identity and encourages the lessening of boundaries between competing discourses, hence to legitimize the existence of the discourse the identity must be preserved, hence resistance to the forces to which it is exposed is actualized by defending the identity with competition and saturation of messages.

5.7.3.1 Defining identity through competition

The very nature of competition invokes the idea of a winner and a loser, defining a discourse as one or the other encourages a division or boundary separating the discourses, which reinforces the identity. If a discourse is ‘losing’ there is still the possibility of reframing so even punishment or social exclusion can be useful in the process of legitimising resistance. This is exemplified in the example offered by a former shop steward which presented the differing values of the discourses (Toyota being very process and numbers driven would seek to measure outputs). The union seeking to compete for recognition would use this as an opportunity to
compete for recognition from the workers about who had the ‘right’ to not be videoed (Interviewee 7, former shop steward).

I remember on occasions where their guys would be standing there with a stop watch on walkways and around processes and we would literally have to stop work, I’d say move, get out of the, … just move away, get out of here and he just couldn’t understand, you’d refuse at times and then as a rep you get phone calls, you know, this guy is staring again, or he’s taking photos or whatnot, we have to go and form a human shield in front of the employees. It got to that sort of petty, tit for tat sort of confrontations.

5.7.3.2 Defining identity through saturation

Every signal, message, visual and/or auditory cue leads the observer to understand the identity and values of a discourse, and this defines alignment of identity with a particular group.

Particularly in the 1960’s right through to the 1990’s the union discourse placed significant value on masculinity and physicality. The defence of the workers’ rights against the management of the company was a gladiatorial battle which was fought quite literally often on physical grounds, and many of the elements enabled the identification of masculinity, enforcement and protection based on the behaviour, size and ability to intimidate or not be intimidated.

Physicality was identified and fostered in every sense by the union as a primary essential characteristic, particularly as disputes right up until the late 1980’s would often translate into a physical fight. As a leader or overt supporter of the union discourse, one must assume that often when disputes escalate (either between company and union or between unions) physical violence whether from security guards (directed by the company), police or rival unions would result, as explained by a former union organizer (Interviewee 32):

[the security guard] was not too kind to some of our people on the picket line. He used to go in of a night and go into the toilet and get them in the toilet and give them a beating and stuff like that.

So as discussed ‘fighting for the cause’ and ‘protecting members rights’ and such would be applauded by the members and rewarded by the union and workers with re-election and reinforced the beliefs that being united under the protection of the union prevented the company taking too much advantage as well as offering
improved protection. As the discourse of the union was protection, they must appear and behave consistently saturating the surrounding individuals with this message of protection and the necessity for it.

In terms of the dominant discourses the process of saturation was completed differently by the two firms. In the case of Toyota, as a researcher I grasped the extent and subtleties of these skills whilst collecting data in Japan. Every symbol or message offered by Toyota draws the viewer in a particular direction, which is always subtly positive for Toyota. For example, in the Toyota Commemorative Museum in Nagoya, nowhere do you find the words that outright declare superiority. The displays and signage call your attention to a particular piece of engineering and describe it a made “for safety and ease of driver”, or parts were labelled as constructed with the “world’s top level safety parts”. Regarding their treatment of employees the manufacturing displays all espouse the “people friendly manufacturing” leaving the visitor to conclude beyond doubt that Toyota is synonymous with safety, that they care about the driver and the experience of driving, and to work for Toyota would be a wonderfully rewarding and safe vocation. Every display witnessed had without exception these multiple layered messages. The main message, a chief point about the display was made as convention requires, but it was a further sentence, detail meme or symbol regarding the why or how, which was presented as ‘fact’ which was actually a subtle method of drawing perception carefully in the particular desired direction.

Nissan’s identity was far more tied to engineering capability, as its discourse was and still is owned and saturated by the engineering discourse. Indeed one is saturated by messages about their engineering prowess, to the exclusion of all other information, even if it was logical, rational information. Interviewee 15 (former senior manager):

…the Australians argued with the Japanese that there were faults in the car…The manager of the manufacturing company on the advice of his engineers put into trying making some changes … word got back to Japan….the chief executive of the manufacturing plant was called to go in Japan to see the president and he walked in to see the president, ushered in to see the president, and the resident said I brought you up to tell you one thing, you are not to change the design of that car, now you go back.
5.7.4 Proving the validity of the identity and core assumptions with success

The core assumptions for the discourse (covered above) must be preserved, as to question these assumptions leads to a sense of greater uncertainty, which along with social exclusion could potentially undermine the discourse’s existence. As the process of legitimising focus and rationalizing has been completed, and the identity of the discourse is defined and separate from other discourses that seek to compete for recognition or undermine and exclude rival discourses, core assumptions must be validated. This is done by demonstrating value of the discourse’s existence by highlighting ensuring success is both definable and demonstrable.

5.7.4.1 Framing success

Depending on the discourse, date and public sentiment, success can be framed in many ways.

For union discourse, this was done in a way that was defined by the sentiment of the paradigm, as in the earlier years it was by demonstrating membership numbers, union action, bringing disputes, fighting battles, rioting and striking to ultimately seeking to be more collegiate in their approach. The idea that the union continued to be able to protect its members in the changing circumstance was one that emerged consistently. In the 16th March 1989 press release, Wayne Blair (VBEF Federal Secretary) stated:

…we can implement career paths for members, supervise the introduction of relevant training programs and put into place a classification structure relevant to an industry approaching the year 2000 with confidence.

In spite of the conceptual nature of Lean, for Toyota and Nissan success was framed by production numbers and profitability, defined by numbers displayed on charts located throughout the factories.

5.7.4.2 Using punishment to drive recognition

Where the union was ‘punished’ for taking action, whether it is direct or indirect, the union discourse effectively used these to prove the sense of distrust that had existed prior to the arrival of Lean. More so at Toyota than at Nissan, the unrest was consistently used to demonstrate that the management group could not be trusted and therefore the presence of the union was both essential and successful. The more efficiency the company tried to implement, the more disputes and
grievances could be put forward, demonstrating the necessity of the union (Interviewee 8, Human Resources Consultant).

The only thing I do know is and what I don’t like is even when they attempt to … how can I put it, sit down and try to have open frank discussions and trying to implement something through negotiations and consultations. It’s not real consultations it’s like made up their minds before they go into the meeting and they’re just sort of going through that formality to implement what they want in the end disregarding any comments. They might sit there and yes, yes, yes, yes, yes but at the end of the day they’re going to want to implement what they want to implement.

Hence attempts to punish or exclude the union were testament to the fact that the company management could not be trusted, underling the point that the union was both necessary and needed.

5.7.4.3 Creating opportunities for recognition
Building on the idea that punishment could be reframed as proof of union discourse value, creating the opportunity to demonstrate the value of resistance was also a factor utilized to the greatest extent possible by the union at Toyota demonstrated by one shop steward who said (Interviewee 7):

...because in my union years I’ll be quite frank with you for a good 8 years I didn’t hold down a process. My full time job was catering to employees needs and giving the company a hard time basically.

5.7.4.4 Highlighting the differences
Just as the continued highlighting of the lack of trust and the historical demonstration of inconsistency of management was used to demonstrate the need for the union’s existence, it was also used to legitimize the resistance based on highlighting the differing values and therefore demonstrating the assumption that the company at heart sought to take from the workers more than what was reasonable.

Interviewee 7 (former union shop steward) explained:

It was just a constant battle accessing at surplus RDO’s, [rostered days off] just little things like that. They just their fundamental rights … that they constantly challenged for some reason.
5.7.5 Seeking balance versus harmony

The concept of balance is centre to the idea of dialecticism, to have opposing forces balance each other. At the centre of this is the idea of potential conflict, linear forces facing each other and equilibrium. The concept of harmony accepts that there are multiple forces fitting together in a multidimensional capacity and therefore cannot be resolved in the linear sense, but elements must be tolerated to an extent.

When confronted with the Australian methodology of robust debate and argument, the initial approach was to preserve harmony, and rather than engage with such debate and demonstrate the ‘loss of control’ it was preferable to remain silent. This appeared as acquiescence at first, then once it emerged that underneath this was cold inflexibility, the need to assert discourse position and revert back to balance was ignited. The demonstration of the requirement for balance in Australia as the host nation underpinned the nature of behaviour and argument, demonstrated neatly by Interviewee 7 (former union shop steward):

So obviously when something has rammed, you know, excuse the phrase, just rammed down your throat you get a little bit resistant and anyway you had an opinion and you’d like to be heard and obviously depending who you’re dealing with and you’re opinion would be heard or not.

5.7.6 Defining agency

The company management or owner is theoretically the owner, or the dominant discourse. Agency is reflected in the sense that even with limited information and power, a minor discourse (or individual) has the capacity to assert itself in the face of significant power imbalance, to resist change by defining their own boundaries of agency. It does this by forcing focus to become allowable (when the dominant discourse had already defined it as ‘unallowable’), and or deliberately avoiding what has already been defined by the dominant discourse as an allowable focus. This confirms the idea that the group is not powerless, and reinforces that resistance is legitimate. For example, Toyota management at the direction of Japan tried to make the employees work more hours around the Christmas break, and make uniforms become compulsory as explained by Interviewee 2a (a union organiser):

…in the last EBA [Enterprise Bargaining Agreement] I see them trying to put in more of this culture stuff, like they want us to work more time at Christmas, they don’t seem to want you to recognize Christmas as
Christmas, and there is also the issue of how hard they push for uniforms...They try to discipline us.

By banding together and refusing, they were able to reinforce where the boundaries were set and legitimate their resistance.

5.7.6.1 Forcing focus to be allowable
Less demonstrated at Nissan, however at Toyota this forcing an allowable focus was clearly demonstrated. An example of this is where Toyota sought to enact a single union site. Refusing to be excluded (and in the face of significant federal government pressure) the Electrical Trades Union (ETU) forced the issue by maintaining a presence at the site and as with it created opportunities for it to reinforce its presence. Interviewee 2 explains:

..they wanted to make it one union site and that was the AMWU, so they recognized the different divisions of the AMWU, the tecs, the vehicles, and the metals but refused to have the ETU recognized... every time there was a dispute the bosses would say we don't recognize you guys [being the ETU], but eventually to solve a problem you have to start dealing with people you know...over time when there was a little or large dispute we would be there side by side at the picket lines...had we weakened we might have lost recognition. I guess the company realized [we] were not going to go away.

5.7.6.2 Avoiding
Asserting a discourse agenda is not limited to engaging with another to gain recognition, it is also about using deliberate inactivity or non-recognition as a tactic to demonstrate positional agency. Indirectly excluding by avoidance was another tactic utilized by the workers to define agency, as described by (former union head) Interviewee 32:

They just didn't respond or they'd look for every excuse not to respond, or they'd look for excuses not to do anything. There was a change though, towards the end, but it was too late.

5.7.7 The organisational signal filter - failing to recognize collective memory, history, differing boundaries of agency, signal methodology
All discourses failed to see the elements or extent of the history, memory, boundaries and signal methodology of the competing discourses. It is in this
blindness that allows for discourses to maintain their differences and therefore continue in the capacity in which they exist.

Where there is no recognition, a discourse cannot exist, hence every discourse requires recognition. Competing discourses or incoming discourses that seek to be the only discourse seek to redistribute power to support their own agenda.

Legitimization of resistance is about the re-issue signals for recognition as discourses and messages work through the model, the process of legitimising resistance affording the potential to gain recognition and therefore redistribute power. Alternatively such signals may follow through the same process repeatedly and only the action of repetition yields recognition. Where a signal arising from a discourse having legitimised its resistance may go through this process again, resulting in reward, non-recognition or further legitimising of resistance. Ultimately the aim of legitimising resistance is to resolve the tension caused by disparity in expectations for recognition of the identity of discourses. The ideal outcome is for the discourse to amass power, and this is possible by using legitimising resistance to gain recognition to redistribute power.

5.7.7.1 Using recognition to distribute power

As the union discourse understood, by creating grievances to become battles to fight to prove their visibility and hence their worth, recognition can be gained. The more recognition gained the more power; hence recognition can be used to redistribute power.

Lean however, aims to redistribute power in a far more discrete fashion. As discussed the conceptual nature creates a reality controlled by the experts or designers of the system. Take for example the integral element of Lean that claims to value employee wellbeing, espoused values being flexibility and safety, with the movement of operators designed to provide variety and reduce boredom. In actual fact the worker in a Lean factory has less freedom, and a higher degree of uncertainty as he/she is entirely at the mercy of the company and relevant manager. With less control, and a greater degree of uncertainty, the operator is encouraged to provide suggestions around efficiency improvements that will ultimately save the company resources, including reducing head count. Hence under Lean, power is redirected away from the individual or collective to the company, thus redistribution occurs to the company, but in a far more covert fashion.
The unions were also able to redistribute power, but in an overt fashion. Of the unions, those for the qualified tradespeople were the most militant and wielded the greatest power, as compared to the production workers or engineers unions. This was by virtue of the fact that as individuals, the tradespeople had the greatest ability to directly enable or arrest the physical production line. The engineers could but were more closely aligned to the management, so tended to suffer silently. This is exemplified by a report commissioned by ADSTE in November 1988, where stress related problems were causing people to be “aggrieved, dissatisfied, highly distressed and abandoned in their difficulties by management.” Nothing came of the report, even though it was circulated between unions.

The speed at which a broken machine could be potentially be repaired, or the time it took for a dye press change, could dramatically impact production, which was an indirect power the unions could exert to compete with the company. It was the tradespeople who controlled these essential elements to a significant extent. The work also involved heavy lifting and a degree of physical force, so larger, more robust men were favoured reinforcing the discourses assumptions around masculinity. The tradespeople also protected their power base directly by negotiating and enforcing strict rules about the use of tools of any kind, which rendered the machines, operators and company at their mercy to an extent greater than the power of the machine operators or other groups.

Hence in acknowledging trade unions by both negotiating with them and validating many of the conditions, such as agreeing to the strict definitions regarding the use of tools meant the union discourse power was increased; hence power was redistributed in the union’s favour, and limiting company power and reinforcing the assumptions regarding the need for competition.

The union had long operated on the belief that their power rested on a constant degree of agitation and resistance which resulted in recognition. Hence they had tied their measurement of recognition to their capacity to create disturbance. Indeed the dominant logic of the union movement was to protect its members by opposing company strategies which directly impacted its workforce, based on the assumption that at the core of the company strategy it sought to take advantage or risks that could directly, negatively impact the workers (members). To retain prominence and remain in its current form, versus to lose its identity and disappear, the union not only needed a constant presence, but a platform from which to
maintain its recognition, which underpinned its value and legitimacy. With historically proven success, consistency of issue raising and associated action was the belief to keep in the minds of all its members the value of the union, and in the mind of the company – the union’s power. The new discourse failed to understand and accommodate this belief, and instead waited for it to change.

Hence if a discourse has a rational and justifiable focus, that makes the focus allowable. Identity is proven, denied by boundaries and validity of assumptions are demonstrated, agency defines allowable behaviours and therefore resistance is legitimated, signals are presented again for recognition. Recognition is eventually gained, equating to preserved or improved power for the discourse.

This chapter exhibited the findings of this grounded theory study, focusing on an exposition of the grounded theory model - ‘Legitimising Resistance’. This exposition included the concepts and ideas that constituted the BSP (basic social process) of legitimising resistance which is how the main concern of the participants is resolved in response to recognition, or lack thereof. This legitimisation is particularly evident when there as a lack of recognition for a behaviour or belief that the group traditionally draw value and worth. This model, legitimising resistance is the Basic Social Process associated with resolution of this concern.

Specifically, the findings were presented regarding recognition as the core category which was explained. The discourses were defined including the filters that restrict or define information taken in, and the core assumptions which emerged for each discourse was discussed. The third section focused on the concepts and ideas that constitute the basic social process of legitimising resistance, and how that translates to Toyota and Nissan with their introduction of Lean.

The following chapter discusses where these findings and in particular this model is situated with regard to the academic research and discourse. The coming chapter will discuss the main concepts being recognition as the core category and its associated identity and organisation themes in the context of the main authors in this arena. A discussion of where this research is positioned in terms of this literature is included as well as the contribution to knowledge of this thesis.
Chapter 6: The relationship between recognition and the culture of Lean. A review of academic literature

This chapter serves to define where the findings of this thesis exist, with regards to academic literature. Consistent with grounded theory methodology, the researcher is required to not delve into literature before the core category (recognition in this case) and basic social process (legitimising resistance) have emerged. As the former chapter discussed the conceptual findings, this chapter orients these findings within the major authors and concepts found in academic literature about recognition.

The chapter itself is divided into four sections. The first provides definitions of the main concepts with contextual explanations. Then the second explains who the main authors were, their respective ontological perspectives and what their contribution to the field of recognition discourse has been. The third section provides where this research in the implementation of Lean fits with regards to the recognition theories and the constructs discussed. The fourth and final part discusses the shifting attractor theory, as an organisational theoretical construct, which brings all the ideas together and provides further explanation as to the contribution to knowledge this thesis has made.

6.1 Definition of concepts

6.1.1 Recognition

Recognition is treated as a noun, but described as a verb, as it is the act of ‘doing’ something. That recognition is a reflection of different things depending on the perspective one assumes indicates the context is highly relevant to the discussion at hand.

Recognition is an act of cognition, but is also a reflection of power distribution and permission in a social context. Consider a court room, where the Judge ‘recognizes’ the prosecution or defence lawyer allowing them to speak. Or the parliament where the Speaker announces they recognize the next politician to speak (hence that person is allowed to speak). The concept of recognition is used in a variety of contexts to invoke differing meanings and outcomes. Discussion with regard to the conceptual definition varies based on the writer, but appears
unresolved for the most part in the literature and whether it is an act of cognition or permission, an artefact or an activity.

Yar (2001, p 294) drew on the Aristotelian philosophy (discussed also in Hegel) and proposed that recognition

is to be seen not simply as an individual’s desire for self-aggrandizement, for the satisfaction of vanity and a desire for distinction judged merely on the basis of appearance. Rather, it is the desire for the objective (public) affirmation of one’s independent worth.

Recognition has been described as acknowledgment, endorsement, enforcement, acceptance, and legitimation, hence it is a complex social construct that cannot be easily defined, with a commonly understood meaning not found across the literature.

For this reason recognition is defined here based on how it is used, what is the intention. If it is used to assign a label, or make a distinction such as recognizing an existing signal, person or pattern it is a cognitive function. If it is used to reward or change behaviour or bring about an outcome, for example the use of recognition to confirm or redistribute power, then it is both artefact and activity.

### 6.1.2 Identity

Identity, like recognition, is a concept of central significance which all of the authors and philosophers in the social science arena discuss or acknowledge. As the establishment of identity is dependent on mutual recognition (Honneth 2005), the two concepts are conjointly linked. To perform the cognitive aspect of recognition, so to recognize a signal or to identify a person, to be able to identify is, is to be able to recognize. A different form of recognition is when one seeks to identify with a discourse or organisation, or being identified as part of a discourse or organisation, or as being or doing something. This demonstrates that identity can be a noun, or verb, as with recognition, and it is also a cognitive function, an activity and an artefact depending on the context.

### 6.1.3 Organisation

Organisation is the third concept essential to the understanding of this thesis and the related discussion. Where there are two people or more there is an
organisation. Clearly larger than this are the discourses discussed, but as with any
organisation each discourse will have its own unwritten rules, and an identity as a
discourse with a joint meaning in what it does and does not recognize. To operate
as a discourse there is a need to identify, to recognize and to organize, hence
discourse requires the presence of all three elements.

6.2 The Philosophy of Recognition

The philosophy of recognition whist present in some capacity for centuries was
brought into significant focus by Hegel, one of the last of the German philosophical
builders of modern times. His work has prompted significant contributions from Axel
Honneth (2005), Nancy Fraser (2000), Charles Taylor (see Gutmann 1995) and
Patchen Markell (2003) to name some of the central contemporary figures that have
in the last three decades, garnered significant attention. As to why the concept of
recognition has been of significance during the preceding recent time period,
according to Markell (2003).

1. A shift in the political main stream theory as groups (e.g. ethnic, cultural
gender etc.) make increasingly louder demands for justice;
2. Events of 1989 (including when the Chinese army cleared the student
protest in Tiananmen Square, significant change in the political landscape of
Eastern Bloc opening to unification with the rest of Europe commencing the
discussion for the establishment of the European Union, the destruction of
the Berlin Wall, the death of Ayatollah Khomeini (destabilizing Iran) resulted
in changing identities of whole regions, against a back drop of increasing
religious fundamentalism.

Additionally it is useful to note that as the world moves closer to a state of
‘globalization’, there has been a noticeable shift in the paradigm of valuing
‘difference’. The paradigm is shifting from acting to protect and promote ‘sameness’
and rejecting ‘difference’, to celebrating difference with words like ‘diversity’ and
‘multiculturalism’. Jones (2006 p 22) argues the language of identity and difference
is not ‘politically innocent’, he goes on to say

It is commonly part of an agenda that seeks to persuade us to see difference
as mere difference. The differences that people manifest have often been
occasions for conflict, oppression and unequal treatment. But if we can
persuaded to see these differences as mere differences, we shall come to
see the irrationality or unreasonableness of the hostility they often encounter and the injustice of visiting disadvantage and discrimination upon people simply because they are different.

Taylor (see Gutmann 1994) observed the shift in identity, from being foisted upon individuals by society or honour (e.g. as one might be born into a family of ruling upper class, as opposed to a family of servants) to a more democratic society, resulting in what is recognized and how ultimately changing with this paradigm.

In the literature recognition has been positioned as an overarching ethical construct, and potentially an alternative to normative distribution theory. According to Fraser (2001, p 21) it:

…aims to develop a new normative paradigm that puts recognition at its centre.

Recognition of difference and sameness, morality and ethics, respect and disrespect, equality and inequality are all themes that feature, however each author tends to treat them differently based on differing ontological perspectives.

Misrecognition is the term used in the literature to describe an act or omission, whether deliberate or unintended, where recognition is not bestowed on the recipient either to the recipients satisfaction and or in a just manner, with outcome or consequences being anywhere on the spectrum from zero to harm of the worst, most horrific outcomes (e.g. ethnic cleansing or systematic murder).

### 6.2.1 Influential authors of the recognition discourse and their contributions

#### 6.2.1.1 Georg Hegel

The first philosopher to bring recognition to the centre of major debate and influence countless scholars with his thinking across many areas of philosophy (irrespective of whether they agreed or not) was Georg Wilhelm Fredrich Hegel. A member of the Continental philosophy movement, publishing during the latter part of the Age of Enlightenment, Hegel came to adopt a dialectical stance in his writings. Recognition was just one concept in many Hegel is responsible for articulating, and whether they agreed or opposed, his thinking influenced all of the scholars from his time to present. Indeed the major authors as defined below acknowledge their debt
to Hegel’s thinking, though Honneth (2005) is the most overt in his deference to Hegel.

Speaking on the concept of recognition, Hegel states (Quoted in O’Neill 1996, p 74):

What consciousness, as understanding, contemplated outside itself as the interplay of forces which is only the experience of the mutual action of causes, has now been moved to the heart of consciousness.

The idea of identity being created as an exchange of recognition, of opposing forces operating without satisfactory resolution, domination and servitude, other and self, are all dialecticisms related to recognition. According to Hegel the social and physical world was characterized by dialecticisms or sets of opposing forces. Hegel was convinced of the pervading nature of recognition and its undeniable impact on humans. He wrote that recognition was necessary for development of self, as well as the maintenance for the meaning of existing, hence for one to understand and have a meaningful relationship with and of self, one must recognize and be recognized by others. (Quoted in O’Neill 1996, p 79):

All spiritual life rests on these experiences, experiences that human history has superseded but that remain underpinning. Unlike animals, men desire not only to preserve their being, to exist the way things exist, they also imperiously desire to be recognized as a self-consciousness. Consciousness of life rises above life….The fight of each against all is a fight not only for life but also for recognition it is a fight – in which the spiritual vocation of man is manifested - to prove to others as well as to oneself that one is an autonomous self-consciousness. But one can prove to oneself only by proving it to others and by obtaining that proof from them. To be sure many historians can cite many causes for the struggle against others, but the causes are not the genuine motives of what is essentially a conflict for recognition.

One of Hegel’s more famous dialecticisms in regards to recognition is that of master and slave. As a result of two equals coming together, each seeking recognition from the other and the resultant fierce battle leads to one ultimately surrendering his will to the other. Thus the surrendering party becomes a slave to the victor, who conversely becomes master. Both parties become dissatisfied with the arrangement, due to the inequity with which each treats the other; the slave fights to
set himself free and be considered an equal member of society. The master also is
dissatisfied as he cannot find an equal in the slave.

What is noted as significant in this dialecticism is Hegel’s need to acknowledge
competition as a method of resolving the tension associated with dialecticism, and
the reflection that in resolution conflict is actually ineffective. Also important to note
is aside from the outcome being dialectical, this universally unsatisfying outcome
was achieved with a struggle. So essentially two men have struggled, lurching from
one dialecticism to another, and in doing so the dynamic between the men has
changed, shifting recognition to the victor and with it the locale of power.

It was Hegel that coined the phrase ‘struggle for recognition’. According to Honneth
(1997, p 16):

Hegel, who in this respect [of the theory of recognition] was the solitary
standard setting thinker.

According to Markell (2003, p 7):

Hegel is usually read as the philosophical godfather of the standard
approach to recognition, both by proponents of that approach and by some
of its most sophisticated and thoughtful critics.

6.2.1.2 Axel Honneth

Honneth is the contemporary cornerstone with regards to recognition theory, as
evidenced by the fact that most published works on this subject reference back to
him at some point (e.g. Markell 2003, Deranty & Renault 2007, Perez 2012,
Sandberg & Kubiak 2013).

Recognition as a theoretical construct, according to Honneth (2001) which has
arisen out of the changing political paradigm that has shifted from ‘redistribution’ to
‘recognition’ as a more ‘just’ social system. The idea that equality, or equal
distribution of goods and resources as a tenet which was no longer considered
serviceable, hence it has given way to the idea that recognition is a superior
normative paradigm (Honneth 2001). Honneth (2001, p 45) states the political
science paradigm has changed as:

…its normative aim no longer appears to be the elimination of inequality, but
the avoidance of degradation and disrespect: its core categories are no
longer ‘equal distribution’ or ‘economic equality’, but ‘dignity’ and ‘respect’. 
The logical step then, based on this rationale, is to conceive of struggles for distribution or redistribution, as actually struggles for recognition (Honneth 2001). Given the nature of the intention is to create a wider society that contains only well-functioning, autonomous, individuated people, the majority of arguments are framed as questions or insights into ethics and morality, however it is clear that Honneth’s (2005) thinking, sentiment and intention bridges several philosophical divisions including but not limited to the social theorists, political theorists and psychological theorists to name a few.

In his book ‘The struggle for recognition – the moral grammar of social conflicts’, Honneth (2005) looks to create a more systematic social theory around recognition given its prominence in Social and Political theory. Described as a new model for critical theory (Deranty 2009), recognition is the overarching, core category according to Honneth (1997, p 17):

‘recognition’ serves to designate the mutual respect for both the particularity and the equality of all other persons, whereby the discursive conduct of participants in argumentation presents the paradigmatic case of this form of respect.... The category of recognition is used today to characterize the ways in which unfamiliar modes of life are esteemed and how this process typically unfolds within the framework of solidarity.

The influence of G. H. Mead, who was an American philosopher of the early 1900’s, focusing on Social Theory is particularly evident in Honneth’s works (e.g. Honneth 1992, Honneth 1997, Honneth 2001, Honneth 1995 & Honneth 2012). Mead was one of the founders of the philosophical movement of Pragmatism and Honneth built on what he referred to as Mead’s social psychology work as the “basis for a systematic theory” (Honneth 1992 p 189). Even more influenced by Hegel, whose name appears many times in Honneth’s works (e.g. Honneth 1992, Honneth 1997, Honneth 2005) is credited with the basis of the elements of Honneth’s theory. Honneth (2005) cites Hegel as divining the idea that self-awareness is dependent on the process of receiving social recognition.

Honneth’s theory is one of identity, and essentially describes the link between identity development, and healthy maintenance of identity as inseparably dependent on social interaction and therefore recognition (Honneth 1992 p 189).
That particular human vulnerability signified by the concept of “disrespect” arises from this interlocking if individuation and recognition on which both Hegel and Mead based their inquiries.

He describes recognition as a process of, and rooted in, identity (Honneth 2005). To explain, the basis of his theory is that identity formation is based on three crucial elements developing correctly, those being self-confidence, self-respect and self-esteem. Each of these relies on the corresponding recognition from a different actor or social group whom one also recognizes, and these elements must be developed subjectively. The three elements being described below (Honneth 2005):

6.2.1.2.1 Self-Confidence

Self-confidence is not about one’s ability to do as they believe, but is developed through one’s relationship with parent or care giver. So as an infant, one learns to trust the environment and its own body. Self-confidence refers to the confidence that one can express one’s own needs with confidence not fear that one will be abandoned as a result. As the child develops, it learns to become more independent and the delicate balance of relationship changes with the parent or primary carer to allow for more independence. Hence in this phase recognition of and exchange with the primary carers is essential for development, though it includes family and friends. Interestingly, it is considered by Honneth (2005) to be the only phase of the three to be unchanged by historical context, so irrespective of which century one was born in, this remains the same.

6.2.1.2.2 Self-Respect

Self-respect is about universal dignity, where one sees oneself as entitled to the same as every other thinking person. This stage is about learning to understand that each actor is owed recognition and respect for being a person capable of acting as an autonomous being. Including legal and moral laws, one is to see oneself and be recognized as a ‘fully fledged citizen’ where every actor must be the author of the law. It is here where Kantian theory (where people should be treated as the ends not the means) overlaps and the idea of ethics makes its presence known. The group with whom recognition is exchanged is whist Honneth (2005) referred to as community, is likely to be more contemporary the local region of country. It is here where traditional exclusions (such as cultural, class or caste) might be overcome.
6.2.1.2.3 Self Esteem

Self-esteem refers to the sense of esteem assigned to them by society, and usually as a result of their achievements. According to Honneth (2005 p 128):

…the experience of being socially esteemed is accompanied by a felt confidence that one’s achievements or abilities will be recognized as valuable by other members of society.

Such examples might include being a Doctor or Nurse, where the belief in value is high, and Honneth acknowledges that there are only a few positions afforded such esteem. Where a society achieves solidarity is where all citizens are in a position where they are esteemed, and this is the ultimate goal (again here we see the ethical theory of a ‘just’ but unattainable goal coming into focus).

Once these elements have been established and recognized, one can have a full and fulfilling life (Honneth 2005). However if one or more of the above elements were to not be developed as prescribed, this would be considered an act of misrecognition.

All acts of misrecognition correspond with impacting one or more of the three elements of identity resulting in the individual becoming ‘wounded’, as every act of moral injury represents an act of personal harm which according to Honneth (2005, p 131), is an experience which carries with it the danger of an injury that can bring the identity of the person as a whole to a point of collapse.

Honneth also ties these three elements to the type of injury that may be inflicted when misrecognition occurs. Introspective and highly committed to defence of his theory (Honneth 2012), it is interesting that Honneth equates misrecognition with serious charge. The concepts of wounding, insulting, disrespecting are all, according to Honneth, acts of misrecognition that can ‘grievously wound’ the actor who has suffered the misrecognition (Honneth 2005).

For self-confidence the disrespect takes the form of physical torture, such as abuse or rape where the individual is unable to control what happens physically to their body. Misrecognition of self-respect is where denial of rights is imposed, or one is excluded such as gay marriage might be an example where gay people are
excluded from the institution of marriage. For self-esteem to be misrecognized, this is here dis-integration occurs (Honneth 2005).

Where an individual or group is not recognized to the extent or esteem they require, Honneth suggests they must ignore the signals and esteem themselves (Honneth 2005).

Criticism is rare of Honneth’s theory, and limited to a few. Perez (2012) criticizes the theory based on what he refers to as the tension between the ideals of self-respect and self-esteem, questioning whether “the surrounding society if under any obligation to provide one with positive appraisals required for self-esteem.” (p 29). He goes further to point out that “A [democratic] government that wishes to provide self-esteem, therefore, will have to limit the ability of individuals to negatively appraise each other, and not to limit individual liberty.”

Praised by Sandberg & Kubiak (2013) for the theory’s universalism, Honneth was conversely criticized by Deranty & Renault (2007) for not taking a political stance, although they are very careful to describe the model as “theoretically sophisticated and phenomenologically credible.” (p 93). They make much of the idea that Honneth was politically agnostic, and therefore constructed his model as a moral framework rather than taking into account socio-economic interests.

Fraser (2001 p 22) also disagreed with Honneth’s assertion regarding distributive justice and asserted that

Claims of recognition of difference, in contrast, are more restricted. Involving qualitative assessments of the relative worth of various cultural practices, traits and identities, they depend on historically specific horizons of value, which cannot be universalized.

Further, she argued that both the concepts of redistribution and recognition were required for a ‘just’ society.

Finally, Markell (2003) criticized Honneth’s theory in several ways, suggesting the link to identity was flawed, and the unjust distribution of recognition a misrecognition in itself, rather than understanding the multi-dimensional nature of recognition. Further than the damage to psychological processing from misrecognition was both limiting and misguided. Finally, that Honneth’s interpretation of Hegel missed the “character of genuine intersubjectivity.” (p 120).
6.2.1.3 Nancy Fraser

Fraser, unlike Honneth, operates to address Recognition Theory through the paradigm of ethics and morality. Fraser’s is not a theory of identity, although identity is acknowledged, Fraser is more concerned with the matter of justice. Her extensive writings are dedicated to the understanding and diagnosis of different forms of oppression, which according to Fraser (2000) can be divided as stemming from one of two origins. The first is economic and it arises from mal-distribution of goods and wealth. The second is social and stems from social interaction, as explained below. Building on this assertion she poses two theories with regard to recognition: the first of which is that understanding recognition and redistribution are both required for a fair and just society, indeed they are unavoidably dependent on each other, with recognition not replacing redistribution as is Honneth’s (2005) assertion (Fraser 2000 p 2).

…conceptualizing struggles for recognition so that they can be integrated with struggles for redistribution, rather than displacing and undermining them. It also means developing an account of recognition that can accommodate the full complexity of social identities, instead of one that promotes reification and separatism.”

It is the second theory where the greatest departure from Honneth occurs. Explaining that the identity model of recognition presented by Honneth is ‘deeply flawed’ as it fails to address core assumptions around the current group identities that exist by equating the politics of recognition with identity politics. According to Fraser (2000 p 3):

The identity model of recognition, then, is deeply flawed. Both theoretically deficient and politically problematic, it equates the politics of recognition with identity politics and, in doing so, encourages both the reification of group identities and the displacement of the politics of redistribution.

Essentially she is questioning the degree of movement away from what she sees as an unjust system, as if we as a society are to maintain the current group identifies, actually little will change. She posits instead that recognition is a question of social status, where identity is not group specific, but the status of the group members are equal, that is they come as even partners in the social interaction. Fundamentally Fraser is concerned with parity (Fraser 2001).
Where parity does not occur, this is considered therefore misrecognition, which acts as a form of social subordination, where an actor is prevented from operating as a peer in a social interaction (Fraser 2001).

Hence to be misrecognized is to be denied status as an equal participant in a social interaction which is a consequence of the “institutionalized patterns of cultural value for their effects on the relative standing of social actors.” (Fraser 2000, p 4). For two people to come together as peers or equals in a social interaction, is reflected by mutual recognition, and yields parity. To be misrecognized is not to be ‘thought ill of, looked down upon or devalued by others beliefs or representations… it was to be denied full partnership” (Fraser 2000 p 4).

Fraser (2001) also goes a step further to distinguish this as ethics being associated with leading a ‘good life’, as opposed to morality which is associated with living a ‘right’ or ‘just’ existence, hence whilst redistribution is moral, recognition attempts to be both ethical and moral.

Linking the ideas of morality, collective identity and organisational culture, Fraser (2000, p 3) explains that culture looks to subordinate its members and alternate views of itself:

Stressing the need to elaborate and display an authentic, self-affirming and self-generated collective identity, it puts moral pressure on individual members to conform to a given group culture. Cultural dissidence and experimentation are accordingly discouraged, when they are not simply equated with disloyalty. So, too, is cultural criticism … Thus, far from welcoming the scrutiny of for example, of the patriarchal strands within a subordinated culture, the tendency of the identity model is to brand such critique as ‘inauthentic’. The overall effect is to impose a single, drastically simplified group-identity which denies the complexity of people’s lives, the multiplicity of their identifications and the cross-pulls of their various affiliations.

Criticisms of Fraser are more widely offered and less delicately than those afforded Honneth.

Young (1997, p 2) expressed a lengthy diatribe designed to “criticize Fraser for adopting a polarizing strategy” arguing instead that categories such as the political
economy and culture should not be highlighted as opposing, but rather as pluralized categories differently related.

Butler (1997) criticizes the use of, and the failure to expand the examples offered in terms of feminism and gay rights, charging Fraser as having depicted these important issues as being ‘merely cultural’.

Swanson (2005) argued a different approach was required to analyse injustice, summing up that Fraser and her critics, most of whom were ironically of a similar paradigm, were only partially correct.

Yar (2001) although complimentary points to the dialectical nature of Fraser’s works, explaining that recognition requires differentiation and distribution seeks to de-differentiate, ideas that oppose each other and prevent reconciliation rather than enable it. Further, he describes Fraser’s definition of recognition as too ‘culturalist’ and therefore unable to “encompass redistributive claims” (p 296).

Finally Huttunen (2007) suggests that whilst Fraser’s theory is more appropriate than Honneth, it cements itself in the ideal of justice and denies the application of ‘the good life’ which is by definition denies the rightful desire for humans flourishing.

6.2.1.4 Patchen Markell
Where Honneth and Fraser were centred around the ideal of ethics and the just society, as a political theorist Markell (2003 p 5) offers

an alternative diagnosis of relations of social and political subordination, which sees them not as systematic failures by some people to recognize other’s identities but as ways of patterning and arranging the world that allow some people and groups to enjoy a semblance of sovereign agency at others expense.

This supposition runs counter to the Kantian ideals that underpin Honneth and to an extent Fraser venturing more into the realm of non-consequentialist ethical theories such as egoism and self-interest. Markell (2003) considers the root of injustice not to lie in identity, or more accurately failure to recognize or respect individual identity, but more in the temporal nature of identity. This is based on his theory that recognition did not operate to exclude otherness or assimilate otherness to same, but to “privilege some people and subordinate others in pursuit of an impossible
vision of masterful agency, thereby distributing the burdens of our common condition of finitude unequally.” (p 25)

As a political theorist, Markell (2003) is less concerned with the ideal of ethics and more the political consequences of misrecognition, however the elements of ethical theory still emanate his writing. He does acknowledge the importance of identity, and that it is a fluid state which is reflective of one’s past or history, but denies it forms the basis for recognition. As the future is undetermined and uncertain, identity is “understood specifically as an antecedently given set of facts about who we are, and indeed as a set of facts which both precedes and governs our action, telling us what acting “authentically” means for us.” (p 12)

According to Markell (2003), recognition is what makes our social world intelligible, but he observes that many theorists treat it as if it were a resource. He posits that recognition is not a ‘good’ or a ‘resource’ available to meter out, thus lack of recognition is not necessarily an injustice; and that justice cannot necessarily be rectified by providing more recognition. He states that this sentiment belies the nature of recognition, causing misrecognition in and of itself because any social interaction can go well or badly in a variety of ways. Indeed he compares seeking recognition as like striving to reach the horizon, a lofty goal, but an impossible task at the same time.

To Markell (2003) the more important questions are not the consequences of misrecognition, though he acknowledges the potential for harm from misrecognition, but he seeks to understand what motivates misrecognition.

Markell’s (2003) reinterpretation of Hegel is also significant. Markell’s (2003) imagination of the master slave dialectic is not that the situation focuses on the absence of justice in that the master has received the ‘proper’ recognition as a true independent self, whereas the salve has not; but more that the slave has abdicated his rights in order to live beyond the conclusion of the fight itself. Essentially Markell (2003) is suggesting Hegel is making the radical point that recognition is not what we should be seeking, as it is impossible to fulfil; and it is only one party (being the slave) who has acknowledged this, “the futility of the desire for sovereignty through recognition.” The slave is therefore re-cast the intellectual victor in this Markel’s interpretation as the slave has fully comprehended the nature of relationships being co-dependent in this fashion and the struggle of dealing with this construct becomes internalized (within the slave).
In this understanding of Hegel’s master slave dialectic that is not a case of win/lose but a case of the privileged subordinating the other in the avoidance of confrontation of finitude.

6.2.1.5 Charles Taylor

As a political theorist, Taylor (see Gutmann 1994) addresses recognition through the political lens, and in his commonly quoted 1992 essay (e.g. Honneth 2005, Markell 2003, Fraser 2001) talks about the ‘demand’ for recognition of differing politically motivated groups. Also overtly influenced by Hegel, and often referenced by Fraser, Honneth and others in the recognition theory, Taylor centres recognition as the primary driver for political justice, sought after by the driving forces behind nationalist politics, and often citing feminism as an example of one of these groups.

Focusing for the most part on the public or external recognition, Taylor fosters the idea of authenticity, being true to the nature of one’s authentic self rather than being pulled away by the ‘demands of external conformity’ lays at the core of a properly developed individual (Taylor, see Gutmann 1994 p 30).

Suggesting that identity and recognition are linked in the same vein as Honneth’s interpretation with regard to reciprocity, Taylor (see Gutmann 1994 p 25) represents identity as being fundamentally connected with recognition:

…a person’s understanding of who they are, of their fundamental defining characteristics of a human being….our identity is shaped by recognition or its absence, often by the misrecognition of others, and so a person or group of people can suffer real damage, real distortion, if the people or society around them mirror back to them a confining or demeaning or contemptible picture of themselves. Non recognition or misrecognition can inflict harm; can be a form of oppression, imprisoning someone in a false, distorted and reduced model of being.

Taylor speaks to the demand of respect, which can neither be bought nor coerced, and explains recognition is built on the tension between the ‘politics of difference’ where each individual is unique to themselves and the politics of dignity which focuses on the universality of all individuals (Collins & Lim 2010).

Similar to Honneth, Taylor is immensely critical of acts of misrecognition, labelling them as acts perpetrated as is not just disrespect but a “grievous wound, saddening its victims with crippling self-hatred.” (Taylor, see Gutmann 1994 p 27)
Interestingly Taylor also notes that the nations who have been colonized are perceived as somehow inferior, or uncivilized and thus having adopted this perception from the conquering nation, denying the vital human need for respect (Taylor see Gutmann 1994).

Ultimately Taylor (see Gutmann 1994, p 50) decreed: “The struggle for recognition can only find one satisfactory solution, and that is a reciprocal recognition among equals.”

Criticized by Honneth (2001) for not taking his historical musings far enough back in a historical sense, and by Fraser (2001) for being overly general in relation to the consequences of misrecognition, Taylor’s essay is interesting because he comes from a political standpoint and hence does not seek to divine what ethical constructs should be, but rather deals with the consequences of misrecognition.

Markell (2003) criticizes Taylor for failing to acknowledge that Taylor’s conceptualization of recognition reinforces the idea of sovereignty, the very idea of which Taylor criticizes in his essay.

6.3 The relationship between recognition and the culture of lean

Broadly all of the theories discussed above assume that discourses or individuals are capable of taking in information about the individual or alternate discourse identity with which they are confronted, without prejudice. Additionally the underlying assumption is that an entity made of individuals is able to consider each angle or perspective, weighing all information before making a decision which might potentially lead to misrecognition, as Markell (2003) alludes to in his metaphor of chasing the horizon. Secondly, the assumption is made that misrecognition is damaging, it is tantamount to denial of some kind or other, as an expense, a quantifiable cost to the wronged party. The loss accorded the party responsible for misrecognition is not quantified or addressed.

Consider the division of labour in a factory setting. As much as Lean philosophy lends itself to being thought of as a more ‘fulfilling’ alternative to the Taylorist approach by way of offering increased variety, it is still designed to bend the workforce of human resource to the will of the company, with the ultimate intention of making a return to the shareholder. This is reflective on a larger scale of Hegel’s master slave dialectic, where the company is the master, the workers the slave.
Consider also the incoming discourse, in this case Lean, as the intruder and also cast the master of Hegel’s dialectic. This interpretation offers insight as it places the existing discourses (Australian management and workers/union discourses) into an immediately subordinate role and therefore explains the need to fulfil the obligations (understand and implement Lean) as well as resist the incoming discourse of Lean and what it represents (subservience).

However good or ethical the goal the avoidance of misrecognition might be, it is still an impossible task, and even if it were possible, the desire and motivation must also be present of all parties involved. With the process of globalization and larger corporate entities operating across spatial boundaries seeking improved shareholder return it is difficult to see how this could ever become the case. In spite of this global trend, or possibly because of it, essentially with the exception of Markell (2003) the above theorists seek to correct the balance of treatment of individuals, to be a fair and just. It is here where the construct of Legitimising Resistance looks to add to the existing body of knowledge, by avoiding the ethical constructs of ‘just’ and ‘fair’, which is certainly not to imply that are not important elements, but they are indeed reflective of relativistic social norms. By avoiding the placement of judgment as to justice, the model reflects what ‘is’ as opposed to what would be ‘ideal’.

Secondly, misrecognition whilst it has the potential to be devastating is not always a loss or a cost to the discourse who has been misrecognized. Additionally, there is a cost to the discourse enacting the misrecognition. Consider the two unions at Toyota Australia. Although they were continuously misrecognized by the Japanese discourse, the union discourse was able to demonstrate its own value, reassert itself and function even more effectively as a result of this misrecognition instigated by the introduction of Lean.

Contrast this with Nissan Australia, the group who were indeed undermined by the lack of recognition afforded when they were forbidden from solving an engineering fault in the Bluebird, demonstrating that recognition can inform cost to self-esteem and self-value, and also to that of the organisation. When considering the cost of misrecognition, it could potentially be conceived as an opportunity cost. Consider Nissan whose reputation was damaged, and money and time lost in dealing with warranty claims when a simple fix invented by the Australians would have
prevented this, had Japan not misrecognized Australian engineers and their potential contribution, which is ironically one of the tenets of Lean!

Both companies had union/worker discourses following the same policy of action, by legitimising their resistance but in the case of TMCA they were able to gain some recognition for their identity through the process of being misrecognized and hence legitimising their resistance. This was a process of using recognition to redistribute power, and demonstrates the interlinked nature of recognition and redistribution. Lean also attempts to redistribute power, by the continual shifting of reality as discussed, meaning Lean fosters misrecognition.

The observation must also be made regarding the language, which tends to predominantly be about the literal struggle for recognition. The problem with the idea of a ‘struggle’ is that ultimately it is a competition, an ‘either or’, a victor and a loser, a process dialecticism. Ultimately it invokes images of contest, primal and likely physical, and it is with this image that this thesis suggests is misleading, a misrecognition of recognition itself. This is because coexisting within the image of ‘struggle’ there is the idea of an end point, eventually the opponents will tire, someone will win, and someone will lose.

However with recognition, there is no such clear delineation. For example, the gay rights movement has arguably achieved a significant amount of recognition, as has the equal rights for women movement, but in both cases the equality of treatment falls short. Gay people cannot be legally married in Australia at present, neither are women treated equally with pay disparity, discrimination and harassment still key issues. The argument here is that recognition thus far has been defined in the literature in terms as being measurable, distributable, achievable, definable and locatable. Markell (2003) in his book asserts that language is spatial, creating barriers like an atlas draws a nations outlines, and recognition exists on a continuum, hence it is only semi definable and semi locatable through artefacts and symbol, but never static. It is the assertion of his research that is supported by this research, particularly evidenced by the use of competition to semi-define boundaries, and the concept of Lean which is deliberately only semi definable and semi -locatable, and as with the nature of continuous improvement an unreachable horizon.

Recognition is also an artefact as well as a structure, a process and subject to interpretation. However Honneth’s (2005) theory does offer insight into the ongoing
struggle, in that recognition is a fluid and dynamic model, as Honneth suggests the ‘ongoing nature’ of such a struggle.

If recognition were a resource, if there was a finite, defined amount then struggle would perhaps be an apt description. The observation must be made of the nature of this image also being competitive and masculine in and of itself therefore an artefact of what Fraser referred to as “the historically specific horizons of value” (2001 p 22). Considering Hegel’s treatment of women in his literature was of inequality and reflective of his belief in their inferiority to men (Markell 2003), it is not surprising to find the use of masculine ideals in his language. The idea of competition to solve dialecticism is not new. Neither is the choice to resolve the tension that exists between opposing ideas by a competition, as this concept is one that has played out in various human conflicts since the dawn of time, as reflected in Hegel’s master/slave dialecticism.

This research reimagines recognition, is that it is conceptualized as an ever moving, a dynamic in continuous motion like a Lorenz diagram, the focus of attention moving between poles back and forth but never following back on the same trajectory. Even as recognition may be drawn back to (or away from) either of the poles, as it finds order in this chaos and it never repeats the same trajectory, just as a foot may never step in the same river twice. The idea of fluid motion indeed sits comfortably with Hegel’s writing on the philosophy, as it is small extension of this philosophy.

This dynamism also supports the point made by Markell (2003) that recognition is akin to the horizon. It is not a fully attainable resource, one can sail towards it but it can never be fully ‘gained’ or ‘solved’. It is here that the dynamic nature of the model of legitimising resistance conceptualizes recognition as a perpetual process and running concurrently as a social dynamic, and not static or solvable as is alluded to by the idea of the term ‘struggle’.

In more specific terms however, considering each of the above theories individually, this research as supported some of the suppositions made and answered some of the questions raised, as detailed more specifically below.

6.3.1 The culture of Lean and Honneth’s theory

With regard to Honneth’s main theory (Honneth 2005), it is clear that this research is unable to support or deny the part of his theory that focuses on the aspect of self-
confidence, as the individuals in question are beyond that stage of development from an age perspective, and whether they were afforded the opportunity for development at that stage is not part of the scope of this thesis. It is however clear that not all the individuals within all discourses were not afforded treatment as ‘fully fledged citizens’ either within the discourse they identified with or the competing discourse against whom resistance was mounted or received. Further, the positions within the respective organisations were associated with differing levels of esteem, both within and between discourses. For example trades people were afforded more respect, operators less, manufacturing is perceived as inferior to marketing etc. This was clearly an act of misrecognition however not all individuals found this misrecognition as damaging as Honneth suggests.

According to Honneth (2005) this misrecognition of the individuals and discourses should have led to the denial of rights and dis-integration as the associated consequences. In the case of this research data set, this does not present a full and accurate representation. Those who left employment or were socially excluded, bullied or otherwise hindered were misrecognized, and quite possibly some of them at least could be considered harmed, but not all individuals who were misrecognized were ‘wounded’.

As Honneth’s (2005) theory does allow for the use of esteeming oneself or ones group, it is here that Legitimising Resistance as a model fills the void created by explaining how a group might go about fulfilling its need to gain recognition in a legitimate sense. This also supports Honneth’s (2005) assertion that redistribution is part of recognition, as the unions in the case of Toyota have used recognition to redistribute power away from management and towards themselves by creating issues and stimulating the need for a defence, especially including the introduction of Lean and therefore union protection is both necessary and welcomed, reinforcing the need for the union and its usefulness as well as success.

Hence contrary to the being wounded or debased from the misrecognition (which resulted from the absence of recognition for the position and role of the union), the act of resistance was legitimizated and used as an exemplar for further recognition. The physical blows and actual arm to arm fighting did not always result in damage to the self confidence that Honneth (1995) suggested that interference of a physical nature would do. Indeed as discussed in the Toyota chapter (chapter 3) this violation or misrecognition was conversely valued by the union compatriots as a
demonstration of masculinity, and celebrated. Misrecognition not always detrimental, it was a badge of honour to some, valid recognition of a job well done.

Consistent with Honneth’s argument about esteem however, there are elements of the discourses that were representative of what we see in the fighting for recognition (Honneth 2005, p 128) “Here again, in the shared experience of great strain and sacrifice a new constellation of values suddenly emerges, which allows subjects to esteem one another for accomplishment and abilities that had been previously without societal significance.”

One further supporting theme emerging from the research was how Toyota attempts to act as the society, attempting to fulfil the role of society in the mutual exchange of recognition Honneth (2005) refers to building and maintaining self-esteem of the individuals. It aimed for the sense of solidarity that Honneth describes, but not for the reason of morality or justice, though it could be framed that way, it was more to perpetuate the level of outright control if its workforce, arguably an act of self-interest of a company seeking to reproduce images of itself into the future rather than an act of utilitarianism. In terms of Nissan, it could be argued that the esteem drawn from the collective nature of engineering was also a source of recognition, albeit one way, but nonetheless it was the nature of the technical that provided the Australian discourse with a level of interest and esteem as it measured itself against Japan, even though recognition was not reflected back.

Identity development has been defined by mutual recognition and, with acts of misrecognition causing harm according to Honneth (1995). Arguably this was the case at Nissan, where the lack of recognition left actors unfulfilled and the receptacle of misplaced blame, and the ill feeling has yet to be resolved completely even though the manufacturing closed more than 2 decades ago. However at Toyota the case was the reverse. The lack of recognition from the company actually enabled the union discourse, as it underlined the union belief about their own importance. Indeed it was the very act of misrecognition that helped them to become as powerful as they did.

6.3.2 The culture of Lean and Fraser’s theory

Fraser’s works were dedicated to justice and the application of it to prevent or repair oppression, she points to the dualism of recognition and redistribution dividing them and putting them back together in a meaningful and useful way to explain the
separateness and dependence of each. The intention of this researcher is not to apply those ethical or moral constructs but rather demonstrate that the model produced both supports some elements of Fraser’s theory and additionally affords some explanation as to how the duel application of distribution or redistribution (of resources) and recognition and consequently misrecognition might occur, and the consequences of such.

Fraser’s supposition that “Properly conceived, struggles for recognition can aid the redistribution of power and wealth and can promote interaction and operation across gulfs of difference.” (Fraser 2000 p 2) is supported. Further to this, the model presented offers explanation as to this process as well as offering some contextual motivation of the subjective nature of discourse decision making. The model itself also supports Fraser in the sense that it shows that the institutionalization of cultural patterns, which in this case is the acceptance of the discourse of ‘union’ against ‘management’. This ideal ultimately contradicts Fraser however, as one ‘gulf of difference’ is addressed; as the nature of competitive discourses is to find another gulf through which to compete.

Lean as a philosophy seeks to make ‘otherness’ become ‘sameness’, assigning the right for distribution to the company and away from the individual. The system itself is designed to misrecognize, subordinate and make factories in the image of its founding self. It is interesting that marketing and sales are allowed to have input into the method and strategy of execution (based on the idea that outward communication is location or country specific) but this is not the case in manufacturing, where the assumption is that low skilled labour can replicate process of manufacturing in the company image (a misrecognition in itself). This is reflective of what Fraser refers to as ‘patriarchal strands within a subordinated culture’, supporting her notion is clearly the situation at Nissan where the dominant logic reflects the very oversimplification of the Australian workforce she warns against.

Similarly with Fraser’s theory of parity, although Lean creates the impression of parity, however Lean is really misrecognition itself as it fosters oversimplification of group identity which Fraser (2001) warns against; and Lean being disseminated by Japan encourages the incoming and existing discourses treat each other based on these assumptive cultural norms rather than seeking collective understanding.
She also warns that failing to address the core assumptions or questioning the assumptions which leads to punishment, as we saw with both companies, particularly with Nissan.

However again Fraser’s theory conceives of social justice and it could be argued that the tensions between opposing or competing ideals seek balance, as opposed to justice. Additionally Fraser concerns herself with warning of the avoidance of group identity; however the entire social structure is built on this as a necessity to survive organized workforce. The philosophy of Lean is also built on this ideal. The whole nature of the union and management dialectic was built on workers banding together to afford protection, and this is an ingrained assumption. Whilst the nature of her criticism may well be correct, it is neither possible for change nor probable for being addressed and therefore the discourses must be addressed as they presently are, rather than an idealized state. Additionally the paradigms in Japan calls for harmony, Australia calls for balance. The imaginings are different. Japan prizes harmony, Australia prizes balance and Fraser prizes justice. Each concept sees the understanding of recognition differently. Justice is a concept aimed at repair, rather than regulation which the other concepts are aimed at.

Finally, considering the model legitimising resistance seeks balance in the form of acknowledging the competition of the dialecticisms involved, as well as acknowledging the group identities.

6.3.3 The culture of Lean and Markell’s theory

Markell’s contribution is substantial and challenges many of the assumptions made by the major theorists of recent times, and his views are not dependent on the concepts of identity or justice, more on the idea of the individual sovereignty. Markell (2003 p 6) states “...the “politics of recognition” is not simply a framework through which some activists and scholars articulate demands for justice, but also a discourse through which some academics and political actors have chosen to understand these demands…”

This passage describes the distance between the identity and justice based models presented by Honneth (2001, 2005) and Fraser (2000) respectively and the amoral construct of legitimising resistance adds to the body of this discourse by offering an understanding of conflicting values and limited capacity to understand the information and signals presented.
Identity is fluid and retrospective according to Markell (2003) however what the data has demonstrated is that group identity in the form of each of the discourses was indeed fixed over a prolonged period, and endured the changing of actors but maintained the ideals, beliefs and assumptions. Consistent with Markell’s (2003) assessment, and as with individuals, the discourses each demonstrated a systemic failure to confront their own finitude.

6.3.4 The culture of Lean and Taylor’s theory

Similar assertions for Taylor (see Gutmann 1995) exist for those detailed for Honneth (2005), as their theories are rooted in identity and the need for reciprocity. Where the model for legitimising resistance is positioned, it not only aims to demonstrate what happens when misrecognition occurs, but also reflects the reciprocity and consequences without offering a moral or ethical stance. Additionally this model is not a finite or closed system but a dynamic one of constant exchange and open to changing actors and historical belief systems.

Supporting Taylor’s (see Gutmann 1994) supposition on the perception of colonized nations being considered inferior and as a result treated with less respect was supported by the data.

6.3.5 The culture of Lean and the concept of misrecognition

Misrecognition is a term adopted by the literature to demonstrate either a deliberate act of or an incapability to recognize individuals or groups (e.g. Honnneth 2005, Fraser 2000). The consequences of misrecognition were also debated, the focus on and the seriousness of these consequences depended on the writer (Markell 2003).

There is an important distinction to be drawn however on a conceptual level between an individual or discourses capacity to recognize and then deny recognition, and being wholly unable to recognize the signals that have been presented.

The theories discussed above speak of recognizing the person or discourse, whereas I argue an actor translates their needs and desires, and reflects their own identity (or the group identity to which they belong) as behaviour, therefore behaviour is the form of physical conduit of the telegraphed signal.
Where the recognition philosophy attempts to define a construct, my research attempts to design a conceptual representation of the construct in motion, in the form of a group or discourse such as Lean or the union, as opposed to an individual. Arguably the group is more complex than the sum of the individuals that it consists of, however basing this on collective identity theory (Abrams and Hogg 2006), it can be demonstrated that treating a group or discourse as an individual for the sake of theory creation is viable.

As a group the basic social process in managing this recognition or lack of appropriate form is the process of Legitimising Resistance. This concept falls some way toward Honneth’s (2005) suggestion that when a group is not recognized by the dominant discourse, they are subject to misrecognition, then the group suffers grievous injury. From here the group can decide on its own value, hence it ceases to look to the main discourse for recognition.

In actual fact the model presents a third option, and that is that the group asserts its values and assumptions, repeating the behaviour and legitimising its own resistance or lack of adherence to required rules by repetition, reframing, rationalizing, ignoring, and competing.

This idea of resistance fits with Hegel’s notion of slave and master, where the slave seeks to assert his independence as an individual of equal status, and takes this idea a step further by explaining how the slave (or misrecognized party) might go about defining his own identity as legitimate and equal (as opposed to being the ‘inferior’).

The model also answers Markell’s (2003) calls for the reasons for misrecognition to be understood. As all information cannot be considered simultaneously within organisation, as well as the relativistic values, beliefs and nature of the decision makers involved it seems a logistically impossible feat for organisation to not commit misrecognition of its self or its stakeholders. However, if the discourse is able to identify its lens through which information is filtered, that is by understanding its discourse’s history and experiences that have made it what it is, the chances of misrecognition are reduced. Specifically these elements include country of origin, local geography, organisational group values and group identity paradigm, collective memory and experiences, where the boundaries of agency are placed and the preferred and therefore dominant format for information signals as discussed in Chapter 5.
6.3.6 Lean and Identity

Identity is inextricably linked to recognition and hence must be addressed as such. This assertion is made in relation to identity being the start point for recognition and the cause of consequences because it is where the point of reference begins for individual judgment. Markell (2003) does not deny the relevance of identity with regard to recognition however refers to it as a nebulous, retrospective concept, fluid and impossible to pin down, therefore separate and devoid of real description. Conversely Honneth (2005) and Taylor (see Gutmann 1994) link it inextricably with recognition, asserting it is essential to the reciprocal exchange. Collins and Lim (2010) argue that Honneth and Taylor’s assumption was a weak assumption, that identity is largely a result of needing reciprocal exchange. Lean in and of itself as a concept seeks to both foster the desired process of identification with it, and of it, but always as the Japanese discourse maintains ownership, this limits the ability of non-Japanese to identify fully with the concept. Further, these contradictions in the literature lead to the need to offer the definitions being stipulated below:

6.3.6.1 Identity - Individual

The development if individual ‘identity’ has been well researched and defined by a vast number of psychological theories (e.g. Abrams & Hogg 2006, Priest & Middleton 2016, Krettenaur, Muria & Jai 2016). Although it is not the intention of this thesis to encroach on such discussion, it is relevant to explain identity through the lens of recognition, as it has emerged. As described above, identity development is integral in the development of self, and the understanding of other (Ferraro, Giannone, & Lo Verso 2014, Abrams & Hogg 2006).

Once identity is established however Jones (2006 p 134) makes the point that the type of identity the individual or group is attempting to gain recognition for becomes important. This can be divided into be either:

subject identity – where the individual looks to be included in an existing category (so for example where women might seek to be included as voters with equal rights as men, or when the Australian management team seek to be considered equals of their Japanese counterparts); or

new identity – where the individual (or group) looks to be recognized as a completely new category (for example where gay rights activists sought to have the legislation of homosexuality being illegal changed to reflect...
contemporary standards, or in the case of this research, where Lean seeks to be a totally new idea as compared with that of mass production).

6.3.6.2 Identity - Collective

Whilst Honneth (1997, 2001, 2005) and Fraser (2000, 2001) attempt to provide respective normative models of ‘just’ systems, they fail to offer ways that mutual recognition will solve the dilemma of establishing and or maintaining a collective identity, such as that as exists in organisations or as a discourse. Also they are reluctant to address opposing values with societal norms, instead arguing that the ultimate aim of society is to establish a space where all individuals can be recognized for their individual skills and abilities, as well as the nature of being an ‘individual’.

Fraser (2000) warns against collective identity, cautioning that it fosters existing politics and denies the complexity of the individual, a view which cannot reconcile the nature of the social organisation.

Social Identity, or identifying as part of a collective is defined by Abrams & Hogg (2006, p 7) as

the individual's knowledge that he belongs to certain social groups together with some emotional and value significance to him of the group membership (Tajfel 1972a, p 30), where a social group is ‘two or more individuals who share a common social identification of themselves or which is nearly the same thing, perceive themselves to be members of the same social category’ (Turner 1982:15).

Hence it is clear for the discourses for example, membership in the union discourse and or Lean discourse fulfils this definition.

Recognition theory, whilst it addresses group or state as affording recognition however fails to explain exactly how the mutual recognition can solve the act of misrecognition, other than to say all parties need to treat all members as equal individualist actors in the social arena which is both an overly idealistic and as Markell (2003) points out - impossible.

Take for example the union discourse. Elected representatives are bestowed with the responsibility to negotiate on behalf of the group they represent, just as management representation is appointed to represent the company. By definition
according to Fraser (2000) neither of these sets of representatives can act on behalf of those whom they represent. So in Fraser’s logic, to negotiate on behalf of the company or workers in the case of the union is to misrecognize each individual.

It is here that this researcher’s conceptual model aims to fill the void between the idea of social identity and recognition theory as it aims to show that a discourse or group can recognize, be recognized or suffer misrecognition, and how the collective then manage the consequential preservation of group identity in the face of misrecognition.

6.3.6.3 Identity – discourse or organisation
Where a collective might be a group brought together for any common purpose including work, social or higher order needs, organisation in the business sense, or discourse as has been referred to thus far, is also a form of identity into which employees and stakeholders enter, willingly or not, knowingly or not, as even if one is opposed to the discourse, the interaction with that discourse still shapes identity of that individual.

Just as individuals are self-referential, that is, they exchange information between the self and other, with self as reference point, discourses operate, exchange and interact with projections of themselves (Morgan 2006). Questions of results and information charted as the Japanese are fond of doing not only act as a method of control and clarity regarding the business unit but also “orient action to create or maintain the desirable identity. The charts that decorate the walls of the meeting room are really mirrors.” (Morgan 2006 p 248).

6.3.7 The culture of Lean and the boundaries of agency
Defining where the boundaries of agency begin and end is debated amongst the authors mentioned above. Honneth (1997, 2005) writes of a basic entitlement for recognition, Fraser (2000, 2001) a social entitlement to recognition Taylor and Markell of the political boundaries and entitlements.

Put simply, discourse will define itself through boundaries, just as group identity does the same (Abrams & Hogg 2006). Lean seeks to place the boundaries of agency wherever suits the company outcomes most profitably, which is a changing arrangement. Where the responsibility of the self and the other start and finish with respect to need fulfilment is something Hegel’s master slave dialecticism attempted
to demonstrate. The question I pose is one of relativism. If for example I was unable to garner recognition for myself as an individual from organisation, if I do not feel I am being treated as an equal in the social exchange, or if I am not rewarded or encouraged or noticed even, it is a reflection of my own ill health with relation to self-identity (that is, am I being self-deceptive), or is organisation committing an act of misrecognition against me? What if the same situation occurs with me and society?

If I don’t agree with the value assigned to myself of my position in organisation or society, where is the boundary of agency assigned to address this problem? Honneth (2005) and Fraser (2000) would have this as an organisational or societal problem; however it would appear different societies deal with recognition differently. In Japan, one’s unhappiness with the arrangement of recognition must be internalized and resolved at the level of the individual. In an Australian context this is made more of an issue with debate and verbalization of displeasure a significant part of the psyche. The question of where the boundary of agency exists in relation to Lean demonstrates where there is overlap or disconnect that tension must be resolved, hence the legitimisation of resistance.

This research also adds to the literature in the sense that as Japan is a collective society (Hofstede & Hofstede 2001) where individuals sacrifice their own needs for the sake of the group, the addition here is that the collective nature combined with the goal of harmony means the boundary of agency is narrower, or closer to the person, and more limiting of overt self-expression. Indeed consistent with the Aesop’s fable of the fox and the grapes, where a goal is unattainable it is disengaged with, and potentially demonized (Wrocsh & Scheier 2003), which is why many Japanese consider the Australians lacking in self-control, and inferior when they overtly disengage or engage in enthusiastic debate.

In Australia where the pursuit of individual goals is encouraged, the boundary of agency is further from the individual, and it is more acceptable to push displeasure outward into the public domain, and by doing so it becomes a part of the public domain. Whilst Australia is defined as individualistic (Hofstede & Hofstede 2001), the optional movement of sentiment from internal to public domain allows for the sentiment to become part of the collective. This is contrary to Lean which encourages more narrow boundaries.
6.4 Conceptualizing organisation

Organisation or discourse has been conceptualized here as operating like an actor, as discussed above, based on the idea that discourses or organisations are made up of people and reflect the underlying values and assumptions of the people within them, particularly influenced by those in positions of power.

Although Fraser (2001) cautions against placing groups under a single mantle, the idea of organisation is to assimilate resource to a single locale, hence to some extent any organisation, whether it be a family, community, company, country or other collection of people with a common viewpoint of what ties them together, this does not diminish the capacity to conceptualize the individual. However the data indicated that within the discourses, the pressure for conformity across all discourses was high and elements of individuality were misrecognized as a result.

6.4.1 Organisation and the logic of chaos and complexity

There is a dialectal nature of the formation of unions, as Morgan (2006) points out. In the drive to gain greater efficiency from a given resource (including that of humans) mass production was the key. With workforces centred around factory's, this concentrated the human forces, yielding the densification of humans in one locale, resulting in unions driving for better safety, higher wages etc. (Morgan 2006). The increased push for efficiency and control (such as Taylorism strives for) yielded the opposite dimensions of force in the form of unionism, and the dialectical nature of the attraction forces were evident in both Nissan and Toyota, however they manifested differently in each organisation.

Undoubtedly here once again we see that Hegel's master slave dialecticism is reflected, where the role of master is cast to the company and the role of slave is cast to the collection of employees.

6.4.2 Shifting attractor theory

Combing all these elements of individual, discourse, recognition, misrecognition, agency, identity under the guise of interaction, Morgan (2006) explains organisation as a social system.

An organisation, whilst separate from, still exchanges with its environment information, signals as well as goods and service, and this this system of interaction
is both ordered and chaotic. Although the organisation cannot determine what will happen to a great degree of certainty, even when dealing with the unexpected, chaotic events or random disturbances will create organisational responses in novel patterns of change (Morgan 2006). Despite this randomness, coherent order emerges from the random collection of such events.

Consider the Lorenz diagram, where a system can be trapped in trajectory of unique patterns, and hence the behaviour of the system can ‘flip from one pattern to another’ (Morgan 2006 p 253). This is according to Morgan (2006) is representative of how organisations combine order and disorder, and I would like to extend this idea to several of the dialecticism’s including the management/union dialecticism, and the recognition/misrecognition dialecticisms, as well as the discourses themselves, particularly Lean.

To explain this conceptual attractor theory Morgan (2006) uses the example of two attractors simultaneously attracting attention, but focusing on one, excludes attention for the other. In simplistic demonstration of this model Morgan (2006) invites us to imagine we are sitting on the porch in a comfortable chair, admiring the view of a lake. Birds attend the lake, diving and emerging, calling as they do to each other; it is a picture of tranquillity and peace. Then stealthily the noise of a dripping tap attracts your attention. You become more aware of the drip, drip, drip of the leaky tap in the kitchen, then the tick, tick, tick of the clock. The quiet hum of the refrigerator becomes quite audible and although you see the lake with your eyes, your mind it and your attention are in the kitchen and not on the beautiful vista in front of you, which is temporarily forgotten. These two poles, the noisy clock and the beautiful view are dialectical. You are attracted to both, but cannot attend to them simultaneously so there is tension between the competing attractions.

Consider Hegel’s slave and master dialectic. If we focus on identifying with the slave, and irrespectively of if we adopt Markell’s (2003) position of the slave being more self-aware of the interdependence of the social world, or take the mainstream view that the slave is unhappily indentured, we do not recognize the needs and perspective of the master, ergo we misrecognize him. If we identify with the master, conversely we temporarily ignore, or misrecognize the slave and his needs. What makes us ‘flip’ between one state and the other is the strength of the attractor. Bearing in mind though to recognize a ‘something’, or to bring a ‘something’ into frame, means to push something else back and this has the potential to create tension which then needs to be resolved.
Hence what we see with dialecticism is an ‘either or’ choice, and the attractor which pulls with the greater strength is where we recognize and by definition to reconcile the tension we misrecognize the alternative attractor.

Another example might be as a production operator. The operator is a member of the union (one attractor) and also an employee (the company being an alternate attractor). As a union member one may be called upon to join in industrial action, for example to strike. Behaving in accordance with the rules of the union, to ensure its protection, say one is asked to strike, so to go out on strike is a signal one is attracted to the union ‘pole’. However this also requires leaving ones post as operator and therefore leaving the company machines silent. It is the production of products that enables the company to function, to manufacture goods and sell them, which is what keeps one employed and subsequently able to earn an income on which to live. Ergo the company presents an alternate attractor. The union operates as one ‘pole’ the company as another and loyalty may be split. The nature of dealing with such dialecticism must be solved, and how this can acceptably be solved is reflective of the discourse of which the actor is a part, as the strength of the attractor will determine the behaviour of the individuals, and therefore the discourse.

Take for example TMCA. To be a part of the union discourse is a natural position based on the historical belief that exists in Australia, hence union is an existing attractor. The union have historically been characterized by competition when faced with a dialecticism, which imagines a resolution of ‘winner’ and ‘loser’ and a coexisting attractor being masculinity to ‘fight’ and ‘win’ hence these attractors reinforced the strength each other. The union acts to destabilize the incoming discourse to ensure its own stability. Hence Lean was destabilized, refused, discouraged.

Consider also that recognition is both artefact and systemic in all attractors. To bring about change in this situation, a new attractor needs to be presented, recognized and internalized; in this case that attractor was intended to be Lean. In actuality Lean looks to be the dominant attractor, whilst simultaneously building a context that fosters the self-perpetuating identity of the company. So for example in continuous improvement it creates space to conceptualize and develop new ideas for greater efficiency, the very act of thinking about improvement continuously reinforces the Lean attracter validity. Lean as a methodology ideally maintains the
system in a near equilibrium state, but as by definition it is duplicitous as it creates space for creativity, further engaging discourse with attractor and consistently defining and redefining context within the broader company image.

Toyota takes this a step further by actively and constantly fostering a context that reinforces its own superiority, as it conducts itself as the discourse. Indeed there is some awareness within the Toyota discourse that this is the case. Consider for a moment the idea that the TPS is based on the notion of ‘pulling’. Pulling is not simply about product or just in time, it is about direction and control, context and definition, all of which underpin the nature of being pulled in a direction, as with an attractor. Further, for Toyota, isolated in Nagoya, operating in that environment fostered a context at which Toyota was the centre, and hence reproduced over years and years, the image of Toyota’s version of Lean being the discourse.

Hence when the system attempts to change, when it was pushed to the ‘edge of chaos’, in this case that might be when Toyota taking a majority stake, the discourses were faced with what Morgan (2006, p 524) refers to as a ‘bifurcation point’, or a fork in the road. The direction taken by the discourse will be towards the stronger of the attractor poles. In the case of TMCA, the unions’ attractor position of maintaining status quo, of mounting resistance to ensure it was earning recognition was the stronger of the two, hence the ‘flip’ to the alternate attractor of Lean was not made, and change was resisted. However the pressure applied by the new ‘owner’ meant that the lack of change had to be legitimized, which became a process of legitimising resistance.

Legitimising resistance then became an attractor itself, holding the company in a pattern which further prevented the change it was seeking. This is reflective of the strength of the old attractors was too deep seated and powerful.

According to Morgan (2006, p 254) “Complex systems seem to have a natural tendency to get caught in tensions of this kind, falling under the influence of different attractors that ultimately define the contexts in which detailed system behaviours unfold.”

Morgan (2006) counsels that change can be affected by creating new attractor poles with a strong enough pull, though he cautions that managers who believe they can impose prescriptive change will find failure. Rather he suggests new patterns must be allowed to emerge around the new attractor, hence the role of the manager
is to present a new attractor, whilst shaping some context around it but leaving space for new patterns to emerge within the context. It is here where both Toyota and Nissan failed. By being too prescriptive from the outset both companies invited resistance to what was itself an artefact and system, it was their prescriptiveness for Lean that failed to allow for emergence and hence garner change. Although data shows Toyota are masterful at creating context, the system itself was not pushed into actual crisis until 2012, when 350 people were made redundant. The dominant attractor pattern had been sustaining the stability; hence instability had to be created to enable the new pattern to emerge.

Although significant events can invite crisis, the effect of small, seemingly inconsequential events should not be disregarded also, as is demonstrated by the butterfly effect (Morgan 2006). It is here where Lean as an attractor is at its most advantageous because as a discourse it invites many, many small changes which as explained become self-perpetuating, reinforcing the discourse of Lean, encouraging the desired context, reproducing the company image over and over again in the minds and hearts of stakeholders.

Hence the process of legitimising resistance was not only a reaction to being misrecognized, it also operated to maintain the strength of the attractor, preserving the status quo. This was aided by threats to the status quo being framed as crisis by the union discourse, the crisis framed as threatening to result in the loss of much ‘needed’ protection.

Morgan (2006 p 250) states “It is often difficult to relinquish identities and strategies that have brought them into being or provided the basis for past success.” And this is clearly the case for each of the discourses at both companies.

Having examined how the shifting attractor theory explains the lack of change at Toyota, I will now demonstrate how the different outcome at Nissan was enabled, following the same model.

### 6.4.3 Triggering transition from one attractor to another – establishing Lean as an attractor

Nissan actually achieved demonstrable change twice, the first time they enacted transition from one attractor to another was ironically near the point of closing their manufacturing down, and the second time was when the company reinvented to a
sales and marketing company, this second time was reflective of what Morgan (2006 p 60) describes as finding “…‘doable’ high-leverage initiatives that can trigger a transformation from one attractor to another.”

As with Toyota, at Nissan Lean was to be the new attractor. The purchase of Motor Producers was the first ‘crisis’ to present to the existing (Australian) discourse. There is some evidence that the new attractor of lean had some power, however the traditional Taylorist paradigm which had existed prior to Nissan taking over was stronger. Later in the mid to late 1980’s as the industry reached a crisis point this presented another bifurcation point. Although there was evidence of change here, and the drastic lack of acrimony has been highlighted already, still Lean was not implemented in the image of what existed in Japan.

Ironically the jointly recognized attractor of ‘engineering rationality’ was what kept the discourse anchored to the Taylorist philosophy, as it excluded the recognition of the conceptual nature of Lean. It was the strength of this attractor that kept the respective discourses from moving, the Australian discourse, which whilst proving it was ‘capable’ it failed to understand the impossibility of the recognition it sought. If we cast the Australian discourse in the role of Hegel’s slave, we must use the mainstream interpretation as Australia was both subordinated and misrecognized in this process.

Although Lean was never properly implemented, right at the end, when the factory was closing was when change was brought about, ironically when it was too late, and arguably this was more centred on quality rather than efficiency. The trigger to ‘flip’ from one attractor to another was the combination of autocratic management which reduced uncertainty, and a desire to be recognized as at required standard. The idea that they were chasing a conceptually shifting ideal which the existing discourse was never going to acknowledge their capability for was pushed to the back, as with the beautiful vista in the beginning of this section, in favour of a decrease in uncertainty and an increase in pragmatism as an alternative attractor. By acknowledging the lack of recognition and legitimising the resistance in terms of the move to this attractor they were able to address the tension that existed about ‘failing’ or not being recognized for the skills already in existence or newly mastered.

Nissan globally conceived itself as an engineering company, this was one of the major ‘attractors’ and it failed to see itself as part of the greater environment, hanging on to this attractor and not letting go so unable to develop a new identity in
the face of information signalling the need for change (hence its near catastrophic failure as a company).

The second change was when the company reinvented itself as a sales and marketing company, when manufacturing closed in Australia. The forced 'crisis point' was obvious, and whilst the company balanced on this precipice its leader, Leon Daphnie, created a new attractor defined by reduced uncertainty, clarity of direction and pragmatism. Latching onto the prospect of high leverage initiatives, Nissan focused on sport (high in importance in the Australian paradigm) sponsorships, an attempt at only one round of redundancies (although it ended up being two) and other smaller initiatives allowing the evolution to be built around the new attractor.

These examples illustrate how as system can be drawn under the influence of different sets of reference points that in effect defines competing contexts. The behaviour of the system depends on which reference point or attractor dominates, and context can be encouraged by the discourse, but it has already been established that reference points, like recognition, can act as both artefact and systemic belief.

Hence reconciling the tension created between the shifting attractors is the process of Legitimising Resistance.

6.4.4 Contribution to research regarding the implementation of Lean into Australia

Whilst some researchers consider the implantation of Japanese manufacturing philosophies as able to be conducted worldwide, irrespective of host country culture (Schonberger 2007) it has been conversely argued that the introduction of Japanese manufacturing philosophies like ‘Just in Time’ into Australian industries requires change to the organisational cultural dynamics (Power & Sohal 1999). This research conducted here supports the latter, demonstrating that the implementation of lean is possible in Australia, but not in the image it exists in Japan, which is contrary to Schonberger’s (2007) assessment.

Atkinson (2010) insists that organisations must address organisational culture if they aim to operate as “Lean”, and indeed they must institute an organisational culture that adopts and internalizes the spirit and intent of lean, rather than just
adopting the physical strategies, and it is clear in this case the spirit of lean has not been adopted to the extent necessary or desired by the dominant discourses.

In response to Minchin (2007), who asserts that the closure of Nissan was due to the number of unions, absenteeism and poor management, the data shows a different result. Indeed it was the unfavourable financial considerations, lack of government support, the cost of manual labour (lower volumes meaning the cost of automation was prohibitive) and Nissan’s overall global financial position that resulted in Nissan ceasing manufacturing in Australia. The number of unions, the absenteeism and lack of change were elements that afflicted the site before the implementation of Lean was almost completed, and whilst ironically these issues were almost solved unfortunately the change was too late.

This chapter has explained where my findings regarding Lean and recognition are placed relative to current academic literature and conceptualisation. As discussed, it is appropriate with grounded theory research that the review of relevant academic literature cannot be completed until the core category and basic social process have emerged from the data, lest the researcher find themselves tainted in perception and as a result forcing data, rather than letting it emerge. The conceptual findings of the grounded theory model – legitimising resistance - were discussed in the previous chapter (chapter 5) hence this chapter has oriented these findings with regard to the major authors and academic literature.

This chapter has afforded definitions of the main concepts of recognition, identity and organisation and explained the theories of the main authors in the socio-political sphere of recognition. This is then used to explain my research in the implementation of Lean with regards to the main theories and the constructs available regarding recognition. The final part of this chapter includes a discussion of the shifting attractor theory as an organisational theoretical construct bringing all the ideas together.

The following chapter concludes this thesis, providing concluding remarks on recognition, legitimising resistance, Toyota, Nissan and the nature of this industry as it ceases. Also included in the concluding chapter are the implications and limitations of the thesis, the contribution to knowledge, an evaluation of grounded theory and suggested areas of future research.
Chapter 7: Conclusion

According to Habermas (quoted in Thompson & Held 1982, p 181):

Practical issues, underpinned by particular historical class interests, are defined as technical problems: politics becomes the sphere for the technical elimination of dysfunctions and the avoidance of risks that threaten ‘the system’.

In this case, if we view ‘the system’ as Lean, we see the myriad of ways in which Lean seeks to focus attention not on itself but on ‘the problem’ of waste, or seeking continuous improvement etcetera, allowing the general attention of the technical elimination of waste to be the cause of concern, not questioning the system or assumptions and thus avoiding risks that ‘threaten the system’. In the same way however, resisting and legitimising the resistance to maintain the status quo is also a method of avoiding risks to the system.

7.1 Implications and significance of this thesis

This thesis has investigated the implementation of Lean into two existing Australian automotive manufacturing companies, from the perspective of accommodations and the impact on organisational culture and change. Lean accordingly seeks to be the master the discourse, and it has been demonstrated that Toyota uses Lean as a vehicle to be the discourse, whereas Nissan uses Lean to engineer the discourse.

Also essential to note is that prior to this thesis, there was only one academic article on Nissan Australia, and the investigations into Toyota focused on the assumption that Lean was operating as a reflection of Japan to the extent possible. Hence, this thesis is a significant contribution to the knowledge and perspective regarding these organisations in Australia.

What this thesis has shown is that even though both companies hailed from the same nation, introducing the same system (Lean), the interpretation of Lean, company behaviour, level of success in bringing change and world view were fundamentally different in both companies.
7.1.1 Concluding Toyota Australia

This thesis has identified and characterised the internal operating environment at Toyota (Australia), and demonstrated that the core assumptions and beliefs have transcended time from the company beginnings in the 1950’s to still maintain a high degree of relevance in 2016. The two main discourses which had been originally established, the company (represented by management) and the union continued to exist, even after Toyota purchased a majority stake in 1988, and began its program of change, intended at the full implementation of Lean.

The core assumptions that relate to the union (as representative of the work force) and management paradigms are disguised in more recent times but are still in existence. The assumption exists by management that workers will seek maximum pay for the minimum work, and by workers that the management team will seek maximum work for minimum pay. This fundamental distrust has never been resolved to allow for the paradigm of Lean to be implemented to the extent required. The core assumption coming from Japan was that the Australian workforce would not only behave as the Japanese workforce did, in a comparatively less overtly disruptive fashion, and also that it would automatically see Lean as the answer to solve all its financial, quality and efficiency problems.

Historically, although the company shifted in name from Standard Motors, to AMI then AMI Toyota, to then become TMCA, the people within remained relatively constant, passing on the core assumptions, indoctrinating newcomers into this paradigm characterised by competitiveness (union versus management), masculinity (and the associated physicality, fighting and demonstration of strength) and fundamental distrust, in part caused by threats made by management which did not transpire; and then the withholding of information by Japan pre majority stake.

When the industry faced crisis in 1988, this came as no surprise. The impact and outcomes of the Button report were known. Toyota was in a position where it was known a decision about whether to exit Australia or commit themselves entirely to the operation had to be made. Looking beyond window dressing placed around the reason Toyota bought a majority stake, it is clear that to save face they had to purchase AMI Toyota. AMI Toyota was on the brink of bankruptcy, if it fell there would be no assembler of Toyota models and its failure would reflect badly on Toyota. To not purchase the company was to fail to demonstrate belief in their own products. Toyota anticipated this establishing a new factory as a potential outcome
as they had purchased the land in Altona in the early 1970’s, so the long term plan was obviously to manufacture. The consequences of the Button Report forced their hand. This is an example of Toyota giving the appearance of being totally in control of their destiny, but in this case in actuality being led by circumstances.

Additionally, Toyota was unable to understand the Australian Industrial Relations system, nor the values, experiences and assumptions on which it is based. Comprehending the union discourse was too far outside their understanding, so they failed to recognise what was happening within TMCA. They did not consider the past history of the site as having relevance or impact on the future state, only that Lean was the answer, the way forward. They also failed to understand the differences in the boundaries of agency that existed in the Australian environment. Japan was superior in all things, theirs was a hubris borne of success, but like Icarus they failed to see and understand what was happening.

Toyota was the last automotive manufacturing company to announce it would cease its operations in Australia, marking the end of automotive manufacturing in Australia. The reasons for closure were varied and logical. The high Australian dollar, the lack of government support, the inflexibility of the work force was hinted at also. With Mitsubishi already closed, and Ford and General Motors Holden having announced their closures (planned for this year and next year respectively), Toyota were left with no option but to close, because it cannot support an industry on its own. The timing of Toyota’s announcement though, serves as testament to their cleverness and capacity to manage their image.

It is worth noting that the announcement came 10 days after the Productivity Commission Report recommend Toyota should receive no extra federal government funding (Productivity report 2014), and two months before the Federal Government announced a multibillion dollar free trade agreement with Japan. Given the protracted decision making time (as all decisions on such a scale come from Japan where consensus must be reached) it is impossible to believe that the decision had not been made already, they just waited for the right time to preserve their image. By speaking last, as they did with the joint venture with General Motors Holden, they are cast as the victim of circumstance, rather than in this instance the engineers of thousands of job losses and a significant blow to the economy. To be clear I don’t believe Toyota wanted to close the factory, there is significant evidence presented that the main discourse believes it has a responsibility to its workforce,
and to simply ‘give up’ goes against the demonstrated principles of the organisation, but the timing of the announcement is ultimately what makes Toyota so accomplished at image management, which is what consequently evidences the belief that they are the discourse.

7.1.2 Concluding Nissan Australia

Nissan arrived in Australia and purchased an existing plant outright. They were less cautious than Toyota, but also being further from the city meant they were less affected by the militancy of the union. As with Toyota, Nissan were very process driven, with charts, numbers and good housekeeping in the factory fundamental.

Different to Toyota however, Nissan organised itself in silo’s and although this silo mentality proved to be business poison, initially the manufacturing company was making a profit as it was paid based on the number of cars produced, rather than number of cars sold or exported. This situation likely arose because in Japan demand can be managed as the sales people approach a list of loyal customers. Should a particular model be in excess, the customers who favour that model will be contacted. Should that model be on back order, the sales team focus on a group who favour a different model. The market in Australia is far more competitive and less brand loyal. This disconnect presented a problem for Nissan’s organisational structure as it was not aligned with the external operating environment.

The allowable focus at Nissan was the engineering, but only insofar as was prescribed by Nissan, as the experts. Whilst the implementation of Lean was treated like a puzzle to be solved by the Australian engineers, treating Lean this way misses the point of its conceptual nature. There elements of Lean evidenced, with union participation in quality circles (which is more than Toyota achieved in its first few years) however complete implementation of Lean was never achieved. Nissan were attempting to treat Australia like a satellite Japanese factory, and the Australians missed the point of the conceptual nature of Lean, which was not addressed effectively Japan. More concerned with reporting up the silo than within Australia, information was not shared between Japan and Australia beyond being reasonably prescriptive with methodology which runs counter to Lean and worked to the detriment of the company.

The resistance at Nissan was more subtle (unlike Toyota where it was overt) but it was legitimised just the same. There is also a deep sense of hurt and loss from the
lack of recognition, and that although towards the end the factory actually began to master the process, the company closed anyway. Even post the closure the discourse attempts to retrospectively legitimise its resistance at the time of operation.

The closure of Nissan was complicated by a number of factors, and it would be a drastic oversimplification to say it was simply one or two elements of the internal culture or external environment that were the cause. It was a multifaceted arrangement that led to the death of Nissan manufacturing, and these things included the inability of the culture to share information openly. The Head Office treated Australia like a satellite office designed to operate in the image of Japan, but did not recognise it was hindered by being isolated and without the suppliers physically close to enact the complete version of Just-in-time, and without listening to Australia for input, or recognising that the Australian discourse had value. Additionally, the model choice was solely about protecting Bluebird in Japan, so by Australia and the USA manufacturing the Bluebird the cost was spread across three countries, making it appear more profitable than it actually was. This was reflective of the pattern at Nissan where certain information was presented to make success appear to be valid, when actually it was not, as evidenced by the manufacturing company being ‘in profit’ because it was paid per vehicle.

7.1.3 Operating in Australia

The conceptualisations of what was happening in the respective organisations have not been reported on in the literature in the manner described above. Hence this is a new understanding of what was happening with regard to the implementation of Lean within the Australian context, specifically at Toyota and Nissan.

The degree to which Lean was implemented varied between the two companies, with Nissan arguably bringing about change, but this change occurred just as the factory was closing. Toyota also brought about change, but it was much slower than anticipated, and not nearly to the extent required. Toyota, too, will close its manufacturing plant in Australia, in 2017. The point should be made here that the lack of change brought about was not the only reason these manufacturers decided to close, in fact I would suggest lack of change was not the root cause either factory has made the decision to close, although it was a significant contributing factor. However based on the evidence above, it is clear that Lean alone is neither the
panacea nor the solution to all problems in automotive manufacturing in Australia. Additionally, it cannot be just implemented as a straight forward process of information presentation and change.

Considering the use of recognition in Australia, Australia’s identify paradigm is wide due to the variety of origins of migrants which in turn impacted collective experiences, preferred method of signal and placements of boundaries. Australia’s colonized history (although comparably short) means as a nation it is varied and disparate as the land mass itself. Japan is often considered homogeneous (Hofstede 1988, Hofstede & Hofstede 2001) and has enjoyed a long, solid history of successfully defending the borders against invasion. With relatively small immigration and a tendency to preserve what is considered to be a ‘superior’ existence according to the Japanese, it is at odds with the discourse in Australia.

So when these two disparate cultures come together to manufacture, there was always going to be a need for accommodations to be made. This thesis has shown that accommodations were not made quickly or in any significant way, instead were small, and occurred gradually over a long period of time. The discourse ownership was never resolved in either company, with the union at Toyota earning a greater share of power through the process of Legitimising Resistance and creating recognition than was ever anticipated by Japan. At Nissan, the lack of recognition of basic skills led to the Legitimising of Resistance with a greater focus on repetitive attempts at proving value. The very process of Legitimising Resistance impedes change. This demonstrates that although the incoming system may be considered superior by the incoming discourse, it does not mean it will be easily accepted as such by the existing discourses.

7.1.4 The reason for closure of manufacturing facilities in Australia

Although this was not a formal part of the scope of this thesis, details with regards to the reasons that the automotive industry has ended in Australia must be included within. The point must be made also that this thesis is not an economic research paper, and does not seek to be, but the reasons for the loss of an entire industry should be documented.

The reasons offered by the organisations themselves for closure can be distilled down to lack of profitability, and the reasons for this lack of profitability are complex. It is due in part to the high cost of labour in this country, the Australian dollar being
high in recent years, the distance from other manufacturing countries, cost and difficulty of logistics. Other factors included poor management decisions (particularly earlier in the 1970’s and 1980’s), the failure to adopt Lean completely (which includes the inflexibility of the workforce) and lack of government support. All of these factors impacted negatively on the profitability (Clibborn & Wright 2016).

However, what is not acknowledged in mainstream discourse, and one of the most significant factors which actually undermined automotive manufacturing in Australia. This was certain political factions from back in the 1970’s and early 1980’s, who were anti the automotive manufacturing industry, and like the dominant logic of the discourses discussed, have maintained opinions which has been just as enduring.

It is relevant to note every country in the world that maintains an automotive manufacturing industry subsidises it (Davison 2013). Additionally, every industry in Australia is subsidised directly or indirectly by the government. That is inescapably how the system works. True ‘free trade’ is impossible.

However, subsidies and monies to ‘prop up the automotive manufacturing industry’ were considered ‘too expensive’ by the general public and the government. This is a meme that was implanted in the mid 1970’s and fanned by discourse driven by the mining and banking industries, encouraging the belief that automotive manufacturing is too expensive to keep. To place these ideas in perspective, the following is offered: Germany subsidise their automotive manufacturing industry to the tune of $US95 per capita, America pays $US260, in Australia it was $AUS18 over 10 years to 2013 (or $1.80 a year). Within Australia the banks are subsidised to the tune of $763 per capita, per annum (Davison 2013).

Best described by Interviewee 23, a former Senator from Button’s department:

…and of course the automotive industry has been highly politicized industry since really the decision to support the industry, the bringing of the Holden and General Motors after Second World War so it is a classic example of political economy…They [economists] can quite understand the banks being saved but to save the auto industry you might say that the auto industry was beyond them.

This example also serves to demonstrate that managing perception is clearly more likely to achieve the outcome desired, which in this case showed the factions of
politicians who opposed the industry in favour of supporting mining, energy and banking, and were able to instigate this reality. Toyota demonstrated the same capacity for image management on a global scale, in spite of their failings in terms of the introduction of Lean in this country.

7.1.5 Recognition

Differing definitions of recognition were offered and it was conceptualised as a verb in this thesis, and a reflection of power. As the core category, recognition was what accounted for the most variance in the behaviour of the individuals in the substantive area of this study. It also emerged that recognition is associated with power. The more recognition, the more power a discourse was likely to amass. As power is not a mutually exclusive concept, competing discourses could gain power through gaining recognition and use this to drive the discourses agenda.

Recognition and what is able to be recognised is defined by the paradigm of the host county in a general sense. By way of example, in Japan they favour harmony, and in Australia fairness is prized. Taking this down to the level of organisational discourses, a discourse’s capacity to take in information is reflected by the lens through which it views the world around it. This lens delimits, and is defined specifically by local geography, the organisational identity, group identity paradigm, collective memories and experiences, boundaries of agency, preferred method of signal and history.

7.1.6 Legitimising Resistance

The conceptual model ‘Legitimising Resistance’ emerged as a result of the discourse’s attempt to resolve its main concern. The main concern of the participants emerged as being: how to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth.

The Legitimising Resistance model defines three potential outcomes from a signal presentation by one discourse to another:

- a signal is recognised and rewarded
- a signal is recognised and punished; or
• a signal is `not recognised.

Where a signal is recognised and rewarded by the dominant discourse, the minor or competing discourse is rewarded for behaving in a way that is consistent with the desire of the dominant discourse. The minor or competing discourse is validated, and this action highlights what is considered by the dominant discourse as a legitimate focus, an allowable use of energy. Rewards were generally power, information or perceived increased agency, so the perceived sense of freedom increased. Whatever the reward, if the desirable signal or behaviour continued, it would likely lead to more recognition, and therefore power.

Where a signal was recognised and deemed undesirable, so where the focus of the signal or behaviour was not legitimized by the dominant discourse, it was an unallowable focus and instead it was punished. This outcome causes tension between the discourses, as the dominant discourse sought to punish the individual or group responsible. These competing ideas of what was ‘right’ existing in the same space was defined as dialectical dis-attraction, which caused tension. An example of this is where Toyota espouses that as an organisation it operates to ‘protect' employees, as a paternal parent or benevolent dictator might. However, the union also operates to protect employees, driving the job security, wage protection and safety agenda. Both discourses seek to be responsible for protection, hence opposing ideas of who is actually responsible exist in the same space.

Punishment for energy expenditure on an undesirable focus was in the format of social exclusion, either by directly excluding (for example limiting information, demotion, or being made redundant) and indirectly excluding (such as meetings conducted in Japanese). Indirect exclusion was also conducted by inculcating other members to espouse the value of the dominant discourse, which implies to the competing discourse it is somehow wrong, because it fails to be dazzled by the brilliance of the dominant discourse.

Where signals are not recognised, this denies an allowable focus. So for example the very need for the existence of the unions, the way they function in Australia is beyond comprehension of the Japanese. For the Australian unions, that the Japanese discourse failed to compete was taken as a weakness of management, rather than a weakness information processing. As the Australian workforce was
based around opposing forces creating balance, this lack of recognition created an unbalance, a dialectical un-attraction. It is the signal filter that results in elements of the competing discourse going unrecognised, and this misrecognition invited tension within the discourse being misrecognised.

Hence both recognition and punishment, and lack of recognition, are forms of misrecognition. Misrecognition causes tension between the competing discourses or within a discourse and it is this tension which underpins the main concern of the participants. As the tension needs to be resolved, this is completed through the process of Legitimising Resistance. The processes for resolving this tension commenced with resisting the desired outcome (as deemed by the dominant discourse) and then legitimising this resistance.

Legitimising Resistance emerged as being undertaken in several ways. Where a signal is misrecognised, it is deemed that the signal is one or more of the following:

- an invalid use of energy;
- a denial of the discourse identity;
- an invalidation of the core assumptions;
- a redefining of agency;
- an outright failure to recognize.

Thus to legitimize resistance the competing or minor discourse seeks to achieve one or more of the following:

- proving the use of this energy is valid;
- defending identity;
- proving validity of identity and core assumptions;
- seeking balance (versus harmony);
- defining agency;
- using discourse signal filter to frame outcomes.

In this study, the methods of proving validity emerged as either justifying a focus to make it allowable or rationalizing to legitimate a focus and make it allowable. In the case of justifying legitimate focus, an example is pointing to excessive control and explaining the de-humanising nature of such control; and for rationalizing the allowable focus, and example is offering facts or figures to support a point.
In terms of defending identity, this is done by defining identity through competition and or defining identity through saturation. Defining identity through competition allows boundaries and the values of that identity to be reinforced. For example where a union could form a human shield to prevent a head office representative taking photos or video of a process being undertaken by operators (presumably to understand time and motion), the union defends the individual being filmed and by doing this and it defines its identity as protector. Defining identity through saturation is where all signals are consistently demonstrating the overarching message a discourse is seeking to legitimize. So for example as the union sought to be the protectors, shop stewards were traditionally vocal, intimidating, masculine men who by their mere presence give an air of domination, so they could ‘fight’ for workers.

Proving the validity of identity and core assumptions included four elements. Framing success is regarded as how the discourse defined success, so striking might be punishable, but still was deemed successful by the union to show they had power. Using punishment to drive recognition (say some union members received some deliberate injury from a security guard at the companies directive, bruises demonstrate toughness and commitment). Creating opportunities for recognition include items such as seeking issues to make grievances about, creating recognition and finally highlighting difference allows a competing discourse as a point of differentiation.

Seeking balance (versus harmony) indicates the idea of debate, of equal forces coming to oppose each other being essential to create balance. Harmony accepts inequality and does not seek to solve inequality. Seeking one precludes the other, so encouraging a focus on one encourages a different pattern of behaviour.

Defining agency refers to forcing a focus into legitimacy, for example where the two unions at Toyota forced recognition of both unions, rather than just the AMWU. Finally avoiding is where no action is taken in the desired direction or excuses are provided to avoid participation.

Using signal filter to process signals and make decisions is also about using recognition to redistribute power. For example a union who is active and creates grievances and arguments with the company discourse gets recognised as doing its job, by the constituents in the union. The more it is recognized by its own
constituents, the more power it amasses and the more it forces the company to recognise it, hence the more power it amasses.

7.2 Contribution to existing literature

The major authors focused in the area of recognition were discussed. These included Hegel (considered one of the most influential philosophers on the subject of recognition) and his master-slave dialect; Honneth (2005) who focused on recognition as a theory of ethics and identity and argued distribution was encompassed within the concept of recognition; Fraser (2000, 2001) who argued recognition was a vehicle for social justice and a separate but co-dependent concept to distribution; Markell (2003) argued that recognition was a way of organising the world, where subordination of one group was done for the sovereignty of another. Finally, Taylor (see Gutmann 1994) argued recognition was about subordinated political groups gaining attention.

The conceptual model of Legitimising Resistance aims to bridge the distance from Hegel and Honneth’s (2005) ideas of the continuum of striving for recognition to the consequences, which include the response to misrecognition without focusing the degree of misrecognition or actual consequence.

Adding to Honneth (2005) this model offers some explanation of how distribution as a concept might come to exist next to and within recognition at the same time, as it demonstrates the use of recognition to redistribute power.

The model also goes some way to answering Markell’s (2003) question about the cause of misrecognition. For a discourse or organisation to recognize a situation or signal, it must have experienced this before literally or conceptually. However, as organisation cannot simultaneously take in all information as evidenced by the signal filter lens, additionally this lens is offered as one of the causes of misrecognition.

As identity can only be defined retrospectively (Markell, 2003) the Legitimising Resistance model also provides some interpretation of future state misrecognition, as well as the existing.

Organisation can be conceptualized as self-ordering, with attractor poles defining the organisations behaviour and centring resistance to change. On the possibility of change this research demonstrates that change is actually incredibly slow, and the
larger the organisation the slower the change occurs. Additionally, the research demonstrates the strength of the status quo as a pole.

There has been limited study on transplant failures (e.g. Clibborn & Wright 2016), and hence this thesis adds to the body of work regarding the failure of transplants.

This study has demonstrated that Lean cannot be reproduced in the exact format in which it exists in Japan. Further, this thesis also supports Power & Sohal's (1999) work in the supposition that Lean cannot be implemented without culture change.

7.3 Evaluating Grounded Theory

The source of trust in Grounded Theory is rooted in the idea that theory generated through Grounded Theory must sit comfortably within a criterion through which it is evaluated as trustworthy, hence theory might be used meaningfully (Glaser 1998).


These criteria engender trust because a theory with fit, relevance, and that works and that can easily be modified has “grab” without pressure to force it on the data.

For Glaser (1978) the term ‘grab’ means that the theory emerging from the data is interesting, memorable and useful; that the theory is interesting.

7.3.1 Fit

The concept of ‘fit’ addresses the validity of the study. If this were positivist study, the question of validity would ask: does the study measure what it stated it is measuring? As Grounded Theory is qualitative, the question of fit or validity asks: does the theory generated represent the data collected? To this question the answer with regards to this study is an unequivocal yes. All of the themes, categories and core category emerged from the data. There was no pre-existing or pre-conceived categories for this study, and the data was not forced. The beginning research question was what and how accommodations were made with regard to the transplanting of Lean into existing environments, but the themes, properties and categories all emerged from the data. The data was analysed by the constant comparison method, hence categories changed names as their properties became clearer or more saturated. Patterns emerged and the core category of recognition
was selected based on these patterns. Indeed Glaser (1998, p 234) makes the point that Grounded Theory addresses the problem of validity by just going right to the data and generating concepts from it, whilst constantly adjusting the best word to denote the pattern as constant comparisons occur and the pattern emerges. What fits will emerge as the pattern and gets named.

The quotes included within lay testament to the data collected, and demonstrate the theory is representative of the data.

Glaser (1978) also makes the point that since categories emerge, they must fit and be refit as data analysis and constant comparison proceeds to ensure they fit the data. Glaser (1978 p 4) states

Thus categories are not precious, just captivating. The analyst should readily modify them as successive data may demand. The analyst’s goal is to ground the fit of categories as close as he can.

An example of this in this research is the initial selection of ‘Acknowledgement’ as a potential core category. Subsequent comparisons and data emerged to demonstrate that acknowledgment was what happened after a signal was recognised, and did not allow for what happened when a signal was not recognised.

7.3.2 Relevance

After ‘fit’ the criteria of ‘relevance’ must be addressed. Relevance seeks to understand if the concepts offered in the theory reach the heart of the matter with what is really going on that is significant to the people in the substantive area?

Data was collected and analysed with the question in mind: ‘what is the data a study of?’ and ‘what is the main concern of the participant?’ as directed by Glaser (1978, p 57). This led to the themes and categories that emerged from the data as indicated in the findings. As the findings demonstrate, the main concern of the participants clearly identified as being:

How to deal with non-recognition (or recognition and subsequent punishment) of historical values and belief systems in which group identity is based, particularly when it is this system from which the group traditionally draw value and worth.
Relevance also seeks to demonstrate how what was really going on was continuously resolved, which in this study is the process of Legitimising Resistance. The core problem for the people in the substantive area emerged, and was identified. The impact of recognition, recognition and punishment or lack of recognition was demonstrated repeatedly in the stories and answers given by interviewees and archive data. This is consistent with Glaser directive and concept of relevance (Glaser 1998).

7.3.3 Works

For a theory to work, it must "explain what happened, predict what will happen, and interpret what is happening in an area of substantive or formal inquiry." Glaser (1978 p 4). “The categories must be meaningfully relevant to and be able to explain the behaviour under the study." (Glaser & Strauss 1967, p 3). Hence the theory must be relevant, as explained above, and it also must be able to predict and explain behaviour (Glaser and Strauss 1967). Glaser explains (1998, p 237):

With concepts that fit and are relevant the grounded theorist starts to integrate a core category and sub core category theory that account for most of the most variation of behaviour in the substantive area. He starts to explain how the main concern of the participants is continually resolved. The concepts and their theoretical coding are tightly related to what is going on. They work! This imbues with trust that we can understand and apply a theory about a substantive area.

In this thesis the core category is recognition, and as can be seen from the analysis of data, exemplified by the quotes included, this core category does account for most of the variances in behaviour both from an individual and a discourse perspective. Recognition works without forcing data and Legitimising Resistance in response to the misrecognition explains the continuous movement, the resolving of the main concern of the participants. Both Recognition as a core category and Legitimising Resistance as a process have meaning. They have meaning in the sense that they are demonstrated over and over by the participants in the substantive area, they are highly relevant, and interpret what is happening in the substantive area. They explain how the participants go about solving their main concern. Hence these concepts work.
7.3.4 Modifiable

Grounded Theory recognises that the generation of theory is an ever-changing platform (Glaser 1978). Theories are modified through the constant comparison method, so whilst the data is not forced the theory must be directed by the emergence of themes from the data. This means that a theory may change based on the emergence of new data, meaning the theory must be ready to be modified should the emergence of data direct it. “A theory must be readily modifiable based on ever-emerging notions from more data.” (Glaser 1978, p 4)

The concept of Legitimising Resistance fits this criterion, as do the factors offered that delimit the information taken in by a discourse. Legitimising Resistance as a concept could readily change based on new themes from subsequent data collection. For example, the way discourses legitimise resistance might change in a different organisations due to differing conditions and or different contexts, the model allows for this flexibility.

7.4 Limitations

This thesis of course has limitations. The first limitation would be that two companies were studied, and whilst in qualitative terms for case study this is an acceptable number to gain depth, ideally I would have liked to add Mitsubishi as a third case study. The reason for Mitsubishi’s inclusion would have been that they were the third and final Japanese manufacturer to purchase an existing site in Australia and attempt to move the site from a Taylorist style, American inspired mass production to that of Lean. Unfortunately I was unable to include Mitsubishi however, as the Mitsubishi factory was located in Adelaide, South Australia (which is a completely a different state to my location). The physical distance from where we reside to Adelaide is about 725km, which would have it made it difficult to gain access to the networks of interviewees I would need without significant resources which are not at my disposal.

Secondly although to the extent humanly possible I remained true to theoretical sampling as prescribed by Glaser (1978) with most interviewees identified by the emergent themes. The fact that Nissan Australia had closed more than twenty years previous is inescapable however. Hence this study was limited then to whom I could gain access to. In an ideal situation I would have interviewed more shop floor people at Nissan, but as the company had disbanded entirely people were not as
easy to gain access to. As I required interviewees with longitudinal organisational memory this number was smaller still. Additionally, whilst my theoretical sampling led me to the former Production Manager at Nissan and Senator John Button unfortunately both these men had passed away so I was unable to interview them.

Conducting interviews in Japan is also limiting, in the sense that all of the directors I interviewed wanted to be seen together, with the most senior person answering on behalf of all three. This made triangulation a little harder, additionally they asked for questions in advance, which I was unable to provide to their satisfaction as I was gathering data, theoretically sampling and using the constant comparison method to generate questions right up until I met with them. Whilst I did provide some general questions in advance, some of my questions which I had not listed previously to the event were afforded more vague answers than I would have thought ideal.

Finally I did not compare Australia’s experience with Toyota and Nissan with any other county. It is possible that Lean can be implemented successfully in other cultures (Garrahan & Stewart 1992, Besser 1996). Toyota manufacture in eighteen other countries, Nissan in ten (not including its Renault Alliance sites), and if the respective companies have operated in these sites, some for longer than the time spent in Australia, clearly the implementation of Lean is possible without such resistance as was endured here.

7.5 Areas for future research

Some suggested areas for future research include investigation into the following areas:

The model Legitimising Resistance emerged from the data pertaining to two companies, Nissan and Toyota located in Melbourne, Australia. Possible areas for future research would be to consider if this model is applicable outside the automotive industry, and or the locale where the study was undertaken. Future considerations might be to investigate the differences of where the head office of the company discourse taking over the Australian operation is different to Japan, to understand if country of origin is as influential.

Also to be considered is the core category, recognition. Where does recognition fit for other organisations seeking to create change in the manufacturing industry and outside it?
As this was a case study of sites that had been ‘taken over’ by Toyota and Nissan, an ideal contrast would be a study of change brought about by Mitsubishi, who also purchased an existing site which had originally belonged to Chrysler.

Finally, one of the interesting categories to emerge was the creation of certainty, or the dispelling of uncertainty in the creation of perception. This was exemplified by the idea that change was brought about at Nissan once they had a more pragmatic Production Manager, and again once they moved from being a manufacturing company to purely marketing and sales under the pragmatic leadership of Leon Daphnie. The impact of the leadership being pragmatic in these circumstances warrants attention in future study, as does understanding how Nissan successfully recovered from being a former manufacturing company with significant debt to becoming a successful sales and marketing company, one of the few profitable Nissan sites in the 1990’s when Nissan itself was on the brink of bankruptcy.
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Appendix 1: The external operating environment

This PESTLE describes the external operating environment for both Nissan and Toyota and their predecessor companies from the 1970’s & 1980’s through to the early 1990’s.

| Political | The motor vehicle industry is of particular political sensitivity due to the fact that was a significant employer, had an important economic impact, enjoyed a relatively high consumer interest, has substantial linkages to engineering and technological arena’s and because of the importance of motor transportation to the economy (Clibborn & Wright 2016). |

Since the decision of the government to develop the industry, the government initially provided its support in the form of higher tariffs on imports and local content regulations, grants and credits, a pattern that continued by all parties in office. That support had become a political problem however, as new industries emerged without the benefit of government assistance, and a slow but constant ground swell of resentment is perceived by political figures.

1974, the government legislates all automotive companies achieve 85 per cent local content, aimed at no more than 20 per cent of complete motor vehicles being imported.

In 1976 the Federal government approved entry of Nissan and Toyota to manufacture in Australia.

A new policy was released supporting the assistance given in 1976, and restricting imports until 1979.

The “Lynch plan” for a world car was announced in 1982, coinciding with Holden commencing its political push for the ‘World Car’ program, which was designed as a cross company...
sharing of one model, based on Opel’s European model which would then also once produced form a significant part of the export drive.

The Button report was released in 1984, declaring the industry untenable and significant changes called upon from all manufacturers. This marked the beginning of steadily decreasing government support for the industry.

The early 1980’s also marked significant political change, the old guard, the likes of Prime Minister Malcolm Fraser “Cold war warrior and man of that age” (Kelly 2010) had been re-elected but carried Australia away from the recommended strategy at the time and ultimately in a negative economic direction.

Early 1980’s protectionist strategies undertaken to conserve automotive and textiles manufacturing were becoming politically poisonous to try to preserve (1983 ‘Top Secret’ report by Hugh McBride)

In the early to mid-1980’s parliament moved to disband wage indexing and union powers began to be eroded.

In 1983 The Hawke/Keating government was elected, and this marked a new paradigm in Australian politics and economic policy. The way of high protection, restrictive trade practice and inflexible labour was forced to commence change.

The impact of State and Federal politics has also been significant with differing levels and type of support offered from the South Australian Government (to GMH & Mitsubishi) to the Victorian Government (GMH, Ford, Nissan, Toyota, and their predecessors).

Although the beginning of globalization was evident in the 1970’s,
politically did not filter through to the Australian political discourse until the early 1980’s, post the Fraser government.

<table>
<thead>
<tr>
<th>Economic</th>
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<td>The system of local content plans was formulated (1957 to 1964) and introduced in 1965, aiming to develop the industry. High local content rules encouraged local producers, employment increased, products were rationalized and by 1973/1974 exporting motor vehicles represented 12.9 per cent of the motor vehicle industry.</td>
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The 1973 ‘oil price shock’ and corresponding stock market crash in 1973/1974 impacted Australia, as it did Japan. Cost of production and manufacturing was increasing with the increasing cost of oil, and the economic effects were long lasting (Perron 1988). It marked the point where increasing popularity of the more fuel efficient 4 cylinder models became slightly more evident, though the biggest selling vehicles in Australia were still the Commodore and Falcon. 

The 1979 ‘energy crisis’ or ‘second oil shock’ drove up the cost of oil and therefore the cost of production in Japan, but Australia’s access to cheap coal to power its electricity made it an attractive prospect for foreign investment. It also further drove the preference to the 4 cylinder vehicles. 

By the early 1980’s, as a result of relatively high protection and a degree of stagnation the idea dawned that Australia was not as economically efficient, and it was potentially being left behind. 

The Australian dollar was floated in 1983. 

The predicted ‘economic resources boom’ did not eclipse the drastic rise in wages, and Australia hit a recession in the early 1980’s. 

By the mid 1980’s Holden Australia were close to bankruptcy and
considering closing operations entirely with the six cylinders and eight cylinder offering from the two largest car companies (GMH & Ford) were in decline.

The early 1990’s saw recession again, reducing protection for manufacturing and a push to market driven policy.

Social

The Age (one of Melbourne’s main newspapers) declared the industry to be over crowded, over protected and in crisis (Smark & Davidson 1977), marking the beginning of a public awareness that the industry was not efficient or sustainable.

From the mid 1970’s, there began a ground swell of pressure to cease the support offered to the industry to force manufacturers to be more efficient driven by a perception that government was unfairly funding the industry which should be self-reliant, self-funding reflective of a 'free market'.

Unskilled migrants tended to gravitate to manufacturing jobs, where English skills, reading and writing were not mandatory.

By the 1980’s, the place of women in the workplace had begun to be accepted as ‘the norm’, rather than traditional gender specific roles being adhered to, though equality is still not close in 2016.

Job security has been a consistent issue through the history of the industrialization of Australia, and each generation has enjoyed diminishing security, though greater variety. Many of the ‘baby boomers’ generation who had assumed they would have a ‘job for life’ were unceremoniously cast out in the 1980’s due mostly to the recessions that occurred, as well as globalization and economic reform that has changed the way Australia conducts itself.

Manufacturing has been a significant but steadily declining part of
Victoria’s employment landscape.

Training, self-development and average tenure in jobs all change markedly in the 1980’s and 1990’s, with expectations around constant change increasing.

Beliefs around the value of unionism & the need for protection have been in decline since the 1980’s.

A higher standard of living is expected with an increase in the middle class, more access to education and greater equality.

The degree of complexity has increased rapidly since the invention of computers, and this has driven significant social change in the way companies present themselves to the general public.

**Technological**

Technological advancement in manufacturing has been driven in significant part by the automotive manufacturing, owing to the nature if its size, complexity and expense.

Robotics were introduced in the 1960’s in Australia however increasing reliance on this method as a result of their accuracy, and relative running cost and the ability to undertake the repetitive and potentially dangerous work of humans is seen as a huge advantage by the companies.

Technological change from manual to computer aided/driven in all aspects of manufacturing has led to significant gains in efficiency, although this has also increased the complexity of tasks.

Positive externality from Japanese techniques has in turn prompted Australian re-invention, encouraging a cyclical development.
| **Environmental** | Car’s themselves have changed substantially from the original Ford model T, to include computers, reversing cameras, antilock braking systems, air bags, air conditioning etc. The construction of vehicles from iron made into steel and other environmentally degrading natural resources is still the norm but alternatives are being sought. Australia was at the forefront of moving to unleaded petrol in 1985 to reduce environmental impacts. Fossil fuel consumption and the associated pollution has become an increasing issue in both scientific communities and public sentiment. The Greenhouse effect, Global dimming and other negative global environmental issues are contributed to directly by the manufacturing of and day to day operation of cars, motorbikes and trucks, and the use of them. |
| **Legislation** | After a succession of tariff changes and a variety of solutions suggested in 1984 the Button Plan was released. Legislation surrounding key aspects of the business landscape have changed, most substantially in the 1980’s, with continually changing what is considered minimum standards and protection of workers’ rights (ACTU website). 1986 saw the release of the Workplace Relations Act workers were classified and minimum terms set for employment (Workplace Industrial Relations Act). Work Choices replaced the Workplace Relations Act in 2006, and was replaced by Fair Work 2009. Traditionally pay rates for blue collar and unskilled workers were determined by State or Federal Awards, and the push to |
enterprise bargaining agreements in 1991, ratified in industrial law in 1993 saw collective bargaining where the idea was company employees (represented by the relevant union/s) and company would barging 'in good faith', and the agreement was underpinned by the relevant State or Federal Award (Victorian Government Website).

Workplace health and safety legislation changing, the WH&S council holding companies and individuals responsible for workplace accidents (Safe Work Australia)

Table 4: Defining the operating environment.
Appendix 2: Ethics approval notification.

To: Prof R Jones Ms Melanie Dare (bc) FBE

Dear Robert and Melanie,

SUHREC Project 2011/221 A qualitative analysis involving a clash of cultures: Accommodation between Japanese and Australian cultures in a changing manufacturing environment

Prof R Jones Ms Melanie Dare FBE
Approved duration: 20/12/2011 To 31/12/2015 [Adjusted]

I refer to the ethical review of the above project protocol undertaken on behalf of Swinburne's Human Research Ethics Committee (SUHREC) by SUHREC Subcommittee (SHESC3) at a meeting held on 23 September 2011. Your response to the review as e-mailed on 12 & 14 December, was considered for sufficiency.

I am pleased to advise that, as submitted to date, the project has approval to proceed in line with standard on-going ethics clearance conditions here outlined.

- All human research activity undertaken under Swinburne auspices must conform to Swinburne and external regulatory standards, including the National Statement on Ethical Conduct in Human Research and with respect to secure data use, retention and disposal.

- The named Swinburne Chief Investigator/Supervisor remains responsible for any personnel appointed to or associated with the project being made aware of ethics clearance conditions, including research and consent procedures or instruments approved. Any change in chief investigator/ supervisor requires timely notification and SUHREC endorsement.

- The above project has been approved as submitted for ethical review by or on behalf of SUHREC. Amendments to approved procedures or instruments ordinarily require prior ethical appraisal/ clearance. SUHREC must be notified immediately or as soon as possible thereafter of (a) any serious or unexpected adverse effects on participants and any redress measures; (b) proposed changes in protocols; and (c) unforeseen events which might affect continued ethical acceptability of the project.

- At a minimum, an annual report on the progress of the project is required as well as at the conclusion (or abandonment) of the project.
- A duly authorised external or internal audit of the project may be undertaken at any time.

Please contact me if you have any queries about on-going ethics clearance. The SUHREC project number should be quoted in communication. Chief Investigators/Supervisors and Student Researchers should retain a copy of this e-mail as part of project record-keeping.

Best wishes for the project.

Yours sincerely

Dr Ann Gaeth
Secretary, SHESC3

Dr Ann Gaeth
Administrative Officer (Research Ethics)
Swinburne Research (H68)
Swinburne University of Technology
P.O. Box 218
HAWTHORN VIC 3122
Tel: +61 3 9214 5935
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Dear Robert and Melanie,

SUHREC 2013/200 A qualitative analysis involving a clash of cultures: accommodation between Japanese and Australian cultures in a changing manufacturing environment
Prof R Jones Ms M Dare FBE
Approved duration: 13/09/2013 To 30/04/2015 [Adjusted]

I refer to the ethical review of the above project protocol undertaken on behalf of Swinburne's Human Research Ethics Committee (SUHREC) by SUHREC Subcommittee (SHESC2) at a meeting held on 16th August 2013. Your response to the review as e-mailed on 27th August was reviewed.

I am pleased to advise that, as submitted to date, the project may proceed in line with standard on-going ethics clearance conditions here outlined.

- All human research activity undertaken under Swinburne auspices must conform to Swinburne and external regulatory standards, including the current National Statement on Ethical Conduct in Human Research and with respect to secure data use, retention and disposal.

- The named Swinburne Chief Investigator/Supervisor remains responsible for any personnel appointed to or associated with the project being made aware of ethics clearance conditions, including research and consent procedures or instruments approved. Any change in chief investigator/ supervisor requires timely notification and SUHREC endorsement.

- The above project has been approved as submitted for ethical review by or on behalf of SUHREC. Amendments to approved procedures or instruments ordinarily require prior ethical appraisal/ clearance. SUHREC must be notified immediately or as soon as possible thereafter of (a) any serious or unexpected adverse effects on participants and any redress measures; (b) proposed changes in protocols; and (c) unforeseen events which might affect continued ethical acceptability of the project.

- At a minimum, an annual report on the progress of the project is required as well as at the conclusion (or abandonment) of the project.

- A duly authorised external or internal audit of the project may be undertaken at any time.
Please contact the Research Ethics Office if you have any queries about on-going ethics clearance. The SUHREC project number should be quoted in communication. Chief Investigators/Supervisors and Student Researchers should retain a copy of this email as part of project record-keeping.

Best wishes for project.

Yours sincerely,
Ann

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