

The Leap of Faith

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CREATING TRUST ON PROFESSIONAL SERVICE MARKETS

Lovisa Näslund





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Preface

This report is a result of a research project carried out at the Department of Management and Organization at the Stockholm School of Economics (SSE).

This volume is submitted as a doctor's thesis at SSE. The author has been entirely free to conduct and present her research in her own ways as an expression of her own ideas.

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Director of Research
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1 Shall we dance?

Shall we dance?
On a bright cloud of music shall we fly?
Shall we dance?
Shall we then say “Goodnight” and mean “Goodbye”?
Oscar Hammerstein II: The king and I

Exchange is an essential feature of any market – essential, but not necessarily effortless or uncomplicated, as buyers and sellers will often become aware at some point. Taking the step of closing a deal more often than not requires a certain amount of trust between the two parties, for not every part of the following exchange can be monitored and foreseen, which results in a non-negligible element of uncertainty, not least on non-standardized service markets – to the extent that trust becomes a necessity on such markets. The situation of buyer and seller choosing each other is to some extent like that of attendants at a ballroom dance, asking a would-be partner to dance without knowing whether they will accept the offer, what the dance will be like, and if it will end up becoming just the one dance, or the beginning of beautiful friendship. The dilemma on these service markets might be summarized thus: As a seller, how do you inspire sufficient trust to get chosen? And as a buyer, what would entice you to put your trust in a specific seller? While solving this is fundamental, unless one is to

become a perennial wallflower and be forced out of business, market actors will often find themselves confounded by these questions at some point. Put them directly to buyers, and these questions will often generate enigmatic answers along the lines of “you just know when you’ve met the right person” “It’s a gut feeling” or even “I can see it in their eyes if someone has the talent it takes for this project”. It does not seem to be a question easily, or at least not articulately, answered. Ask the sellers, and you often get the same kind of answers to why a certain supplier gets chosen – “You never know, sometimes you think you have the perfect idea, and then they choose someone else anyway.” If the logic and the reasoning behind the choice may appear as something of a black box, then the purpose of this study is to attempt to open it up and shed some light on its interior. More specifically, we will study a specific aspect of the black box, that of trust creation, and study it in a specific setting, that of professional services.

1.1 A service-dominant logic

Why this setting? The mechanisms inside this black box are of course likely to differ depending on what kind of market you are on, is it plane tickets or financial advice you are looking for? In this thesis, the focus is on service markets, for several reasons. Firstly, service markets are becoming increasingly common, as services gain more economic importance and goods markets decrease, a trend which has been observable for some time in western Europe and which shows no signs of weakening (Axelsson 1998; Löwendahl 2005). Services now amount to around 70% of the economy (Coombs 2003 p 93). Therefore, it is not unsurprising that market researchers have followed this development, and increasingly focused on these markets. So

much more so, as of late the old division between goods and services has been put into question. Traditionally, goods and services were seen as fundamentally different, with goods presiding as the norm, and services as the somewhat troublesome alternative, requiring special attention (Karmarkar and Pitbladdo 1995; Rathmell 1966). However, in recent years, an alternative view has emerged, suggesting that fundamentally, and especially in view of the past decades' economic development, applying a service-dominant logic is more appropriate. The present goods-based paradigm is a remnant from a past where the economy was more centred around manufacturing, and research on it done foremost by economists (Vargo and Morgan 2005). It is suggested (Vargo and Lusch 2004a; Vargo and Lusch 2004b) that all market exchange is fundamentally exchange of services, though it may be that this service exchange is sometimes latent, for example if we regard buying a book as acquiring a good, while it might just as well be seen as buying the creativity and skills of the author who wrote the book, i.e. e a service. Therefore, by studying services, we study not the exception, but the norm. Although the universal validity of the service-dominant logic has to some extent been questioned - Grönroos (2006) for example points out that there are goods where the service logic is less applicable - the model has nevertheless been very influential, and to some extent sums up a direction already taken rather than proposing a completely new turn (see for example Beaven and Scotti 1990, for a similar argument). The proposition of a service dominant logic also has repercussions on how we regard the buyer, for in a goods-based model, he is simply the recipient of the good – with a service-dominant logic, on the other hand, the buyer is not so much

recipient as co-creator. The buyer thereby shifts from object to subject – arguably, this holds equally true for buyers of goods, for the buyer is always co-creator of the meaning and value which is attached to the object that has been bought. (Peñaloza and Venkatesh 2006) However, in the procurement of services, the co-productive role of the buyer is more evident, for it is necessary in order for the service to be performed. Thereby follows that controlling service quality becomes more difficult for the seller, for it entails controlling the buyer, which is rarely possible. (Sampson and Froehle 2006) Thus, following this line of thought, studying services does not mean studying the exception, but rather the area where the difficulties present in all economic exchange become most visible.

Apart from the co-creational aspect, another difficulty with services lies in the uncertainty of outcomes. As defined by Beaven and Scotti (1990 p 8), services are “processes that result in outcomes or a change in status. While the change in status may be fleeting and transitory, it may also be long-lasting and durable”. Although not possible to store physically, services are potentially stored in a different manner – in the memory of the participants in the process. Viewing services in this process-oriented manner, they are then essentially a means with which to share resources, for what the service provider essentially does is making resources available to the client for a limited period in time. (Lovelock and Gummesson 2004) Furthermore, the competition is not only other service providers, but there is also the option that the clients perform the service themselves, in-house. (Armbrüster 2006; Vargo and Lusch 2004a) This falls back to the well-known transac-

tion-cost argument (Williamson 1993), from which follows that one of the disadvantages of procuring services rather than producing them yourself is the inherent information asymmetry, since the service provider almost always knows more about the service they are capable of delivering than the buyer.

However, I would argue that we then neglect the co-creational nature of services, and overrate the knowledge of the service provider. While it is true that the buyer does not know exactly how the service will turn out, oftentimes neither does the seller. No one can be completely certain of how two people, or organizations, will work together before they have tried doing so. Therefore, the interaction between buyer and seller is likely to be fraught with both egocentric uncertainty (the seller's uncertainty about the buyers, i.e. e the market) and altercentric uncertainty (the market's uncertainty about the individual seller). (Podolny 2001) Deciding to work together therefore contains an element of uncertainty for both sides – because none of them can control the process, because none of them can be certain of the outcome and its durability, and because the outcome cannot be standardised beforehand, for it is to some extent uniquely created in each encounter, and thus inherently innovative. (Clark 1995; Løwendahl 2005; Sturdy 1997) Such innovative services tend to put different demands on the production process in comparison to their more standardised counterparts, for they demand access to networks with specialists, knowledge transfer between the participants, and more actors involved – which in turn decreases the possibilities for control and makes it more difficult to predict the out-

come of the process. (Darr and Talmud 2003) The risk involved in these exchanges stems from two sources: the objective risk of failure, because projects are inherently unpredictable, and the subjective risk of having chosen an unsuitable service provider, akin to the altercentric uncertainty of the market described above. (Li 2007) It would also seem that this type of more innovative service processes, and thereby the dilemma of making choices in the face of pronounced uncertainty, are becoming more rather than less frequent, as a consequence of growing specialisation and competition in the field. (Miles 2003)

1.2 The uncertainty of professional services

While these features are to some extent present in all service exchanges (or all exchanges even), it has been argued that they are most salient in professional services, which means that the element of uncertainty is likely to be more prominent for them than for other, simpler and more standardised services. (see for example Nam, Gruca and Tracy 2009) Professional services may be regarded as an extreme form of services, where the aspects of co-creation and uncertainty of outcome are especially prominent, the latter because the service almost always is adapted to fit each individual client's needs. Professional service firms may thus be defined as service providers "whose primary assets are a highly educated (professional) workforce and whose outputs are intangible services encoded with complex knowledge" (Greenwood et al. 2005 p 661). However, the uncertainty of professional services partly extends to the concept itself: since the focus in research on professional services is of fairly recent date, to some extent a clear-cut, universally accepted definition of the term, which also makes a clear distinction

as to what specific industries should be included, has yet to emerge - other than the basic assumption of services being performed by professionals, which thus require knowledge and skill. Arguably, this ambiguity has led to a too narrow research focus in the field, encompassing mainly law and accounting, a restriction based on convention rather than concept. Attempts at a more precise taxonomy suggest that professional services are characterised by high knowledge intensity, low capital intensity and a professional work force (von Nordenflycht 2010). These three parameters are not absolute prerequisites, but rather features that to a higher or lesser degree characterise professional services. This definition of professional service firms is thus not dichotomous, but rather suggests a scale of intensity.

Furthermore, there is the issue of professional service *firms* – what importance should be made of the professional service provider being a firm, rather than an individual? That is, whether we are studying specifically professional service firms, or more generally professional service providers, irrespective of the number of employees (if any) they have. It might be argued that whether the service provider is a firm or not primarily has consequences if one wants to study managerial problems for professional services (such as cat herding), addressing the internal challenges of professional service firms. If the focus lies on interaction with clients, as is the case with this study, it matters less, save for the scale of projects that the service provider would be able to take on. However, the significance of the firm aspect of professional service firms in the context of the buyer-seller relationship has rarely been addressed, possibly again due to convention in

referring to professional service providers as PSF:s, rather than deliberate choice reflecting the importance of the organizational status of service providers. In including both firms and self-employed service providers, this study seeks to contribute to the formulation of a more precise taxonomy of professional services, and the significance of different elements.

Since professional service research largely stems from professional studies, the profession characteristic is often put to the forefront, many studies focusing on professions-based services such as the aforementioned accountants or law firms. However, many professional services lack this quality, and it has been suggested that these should be termed neo-PSFs, focusing more on the aspect of knowledge intensity rather than professionalism. Knowledge intensity in this context denoting that the firm's production relies on complex knowledge embodied in individuals, rather than in for example routines, and which enable them to solve complex and idiosyncratic client problems (von Nordenflycht 2010). This knowledge intensity also renders professional services an opaque quality, making quality assessment a highly subjective matter, and the ensuing levels of alter- and egocentric uncertainty higher in professional services than in other markets (Løwendahl 2005 p 35). As a result of this uncertainty and difficulty of evaluation, a need to find alternative ways of signalling quality is created – hence the emergence of institutionalised professions, reputation systems and appearance or penalty systems (von Nordenflycht 2010), which brings us to our next issue, namely how market uncertainty is to be solved.

1.3 Trust as a means of overcoming market uncertainty

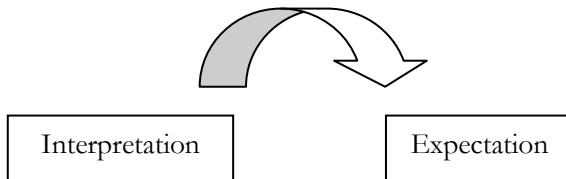
How to handle the uncertain market that will be the result of opaque products? It would seem that the higher the level of uncertainty, the more likely the participants are to depend on social structures – previous relations rather than unknown mass-markets, status systems as a means to discern high-end services from their low-end counterparts when quality is difficult to judge beforehand. (Podolny 1994) The relations between the actors on a market are therefore unlikely to be random, but rather aligned to the social structures that are in place. (Baker 1990) Thus, the less information and certainty are available on the market, the more need there will be for structure – this principle of compensation for instability becomes evident in studies of professional services, for it would appear that in order for firms to provide the flexibility demanded by their clients in order to serve their individual needs, this flexibility needs to be balanced by an element of structure, so as not to let the sum of uncertainty become too high. (Briscoe 2007) In a stable market, these structures are fairly robust, in the sense that they are not dependent on which particular individual or organization holds a certain position – it is the position that decides what is possible for the actor, rather than the actor being able to change a certain position or even the market as a whole to suit their own needs. Which actor who holds a certain position may change, but the structure remains. (Baker, Faulkner and Fisher 1998) The view on markets proposed for this study, the reader may have surmised, is taken from sociology rather than from economics, regarding markets as social structures, which are actively created and reproduced by the actors taking part in them. (Fligstein 1996; Zelizer 1978) The

simplest definition of a market following this view would be a social space for exchange. Regarding markets as social structures also implies that sellers do not only define themselves with regard to the buyers, but much more so with regard to other sellers, positioning and adapting themselves after how they perceive other actors on the market, both sellers and buyers. (White 1981) By this understanding, markets are thus social spaces, held together by norms and structures, but these will only serve so far as uncertainty and risk reducers. There will always remain unknown elements, and therefore, norms alone will not do – a professional service market also requires trust between the exchange partners if it is to function. (Hanlon 2004) If markets have primarily three problems that need to be solved in order for exchange to function – that of assigning value, that of competition and that of cooperation – then the latter cannot be accomplished without trust, as buyers and sellers will never be able to reach complete certainty about each other (Beckert 2007 p 52-56) – which brings us back to the aspect of the black box that this study will focus on, namely trust creation.

This view of the role of trust is re-echoed in Niklas Luhmann's seminal work on the issue (Luhmann 1979), where it is argued that trust is one of the fundamental ways in which we overcome uncertainty – by deciding to trust, we limit our perception of what others could do, behaving as though only one, beneficial course of action were possible, rather than the myriad of available actions that are theoretically possible. Thus we trust the bus driver to take us to our destination, rather than somewhere else, we trust the babysitter to take care of our children and not harm them, and we trust

our lawyer to give us good advice rather than harmful. And, to return to our initial question, in spite of not really knowing for sure, we trust the people we chose to work with to be good partners, and our cooperation with them to be fruitful. Unless a seller can entice the buyer to make this leap of faith, thereby attaining trust, they are unlikely to succeed in bringing about market exchange, as is a buyer unable to make that leap. To some extent, this trust must be mutual, as the seller will not want to risk their reputation by joining an unfeasible project with little chance of success. Attaining and maintaining trust thereby becomes central for both parties on professional service markets. The notion of trust will be more thoroughly discussed in chapter 3, and it may at this stage suffice to state that in concordance with Möllering (2001; 2006), building on Simmel and the aforementioned Luhmann, trust in this study is regarded as essentially a leap of faith, acting *as if* what is uncertain and risky was certain and safe. However, while the leap of faith is the essence of trust, it does not equal trust. Rather, trust is a process, consisting of three elements: interpretation of the present, suspension of disbelief as demonstrated in the leap of faith, and expectations of the future, as is shown in figure 1 below:

Figure 1



The three elements of trust (adapted from Möllering, 2006)

The figurative distance between the interpretation of what has been, and the prediction of what may be expected in the future, if a certain action is taken, makes for uncertainty, which then has to be overcome by a leap of faith, by suspension of disbelief. If there is no uncertainty, and we are certain in our prediction, then there is no gap of uncertainty, no need for a leap of faith and consequently trust is irrelevant. If the gap is too wide, on the other hand, a leap of faith becomes unfeasible, something only the genuinely foolhardy would attempt – which are not likely to survive on the market anyhow. Blind trust, a leap of faith without interpretation and expectation, is in other words not trust, it is gambling. (Lewis and Weigert 1985) This model of trust also highlights that trust is not a purely cognitive phenomenon – rather, it has a cognitive and an affective or emotional element. (Jones 1996b; Lewis and Weigert 1985) Interpretation and expectation are largely based on cognition, while the leap of faith relies more on the affective aspect. While the cognitive and affective dimensions of trust may differ in strength from situation to situation, both will always be present if trust is to be created.

It is important to note that the leap of faith cannot be seen in isolation: it is the combination of all three components which constitutes trust. While the leap of faith is the essence of trust, it is only part of the trusting process. A further implication of this conceptualisation of trust is that it is temporally and socially embedded, rather than as an isolated phenomenon. (Buskens and Weesie 2000) Temporally, for it is less a case of a passive state of mind

than of a process of trusting, bringing together the interpretation of the past with the expectation of the future. Past events will linger in the memory of the participants, forming a basis for interpretation, and contributing to the assessment of the future, in terms of other's trustworthiness. Accounts of trustworthy or untrustworthy behaviour are also likely to reach the ears of the networks that the parties are connected to, and thus will have an influence on others' assessment of their trustworthiness. (Burt and Knez 1996; Glückler and Armbrüster 2003). While trust is often defined in terms of a psychological state (see the standard definition of trust in Rousseau et al. 1998 for a well-known example), this more sociologically inspired conceptualisation by comparison offers a more process-oriented view on trust, seeing trust as a fundamental social building block, which provides bonds between people, rather than a psychological state residing in the head of an individual. (Lewis and Weigert 1985) It is a collaboration based on the perception of shared ideas of the future, and common interpretation of the present. (Olsen 2011)

Trust is also socially embedded, because the interpretation of the past draws on the social context – in making an interpretation of the offer at hand by a seller, the buyer will draw on the knowledge that she or he has of the problem at hand, how it should be solved in an appropriate manner, the resources available, the position of the seller, and so on. Likewise, when making an expectation of the future, i.e. the outcome of the project, the trustor also draws on knowledge of the trustee, of the industry, of the likelihood of success for the project, and so on. In these sensemaking proc-

esses of interpretation and expectation also lies the explanation for why trust is never completely predictable to the outsider, for it is a phenomenon that combines the context, which to some extent at least is observable by outsiders, with the internal sensemaking process, emotional bounds and willingness to take a risk of the individual. Given the same context and same situation, no two people are likely to make the same decision. However, this does not mean that trust is inexplicable, for much insight may be gained from an understanding of the context, and even the likely sensemaking frames employed by trustors in certain positions on certain markets. It therefore follows that if trust is an embedded phenomenon, any attempt to understand how it is created also necessitates a focus on the temporal and social contexts within which it comes about - what lies before and after making the choice to trust, and the social structures that surround it. (Saunders et al. 2010)

This description of the leap of faith in terms of commitment and decision making is not incidental, for while not all processes of trusting necessarily are on the scale of important decision, the decision point constitutes an instant where trust becomes visible. When making a decision requires a leap of faith, then such a decision in effect constitutes trust. The moment of commitment to a project on a market, the instant when the buyer decides on the choice of a certain seller, therefore provides a suitable case for the study of the process of trust creation. In other words, we here focus on trust-as-choice, serving as an exchange mode and active choice of commitment, rather than trust-as-attitude, the passive and non-committal evalua-

tion of trustworthiness. (Li 2007) While it is the trustor, in this case the buyer, who makes the leap of faith and decides to commit to a certain seller, this does not imply that the seller just sits there passively, waiting to be trusted. Especially on markets where alternative sellers are plentiful and competition fierce, the seller is likely to play a part in the processes of interpretation and prediction, providing input in what sense should be made of the past, and what could be expected of the future project – and how they themselves may contribute in this, thereby seeking to close the gap of uncertainty. Furthermore, by demonstrating an understanding in the buyers predicament and fears, and behaving in a manner so as to reduce this sense of threat, an emotional bond is created, which enables the leap of faith. (Williams 2007)

Moreover, the sellers oftentimes risk their reputation, and thereby possibly their careers, and therefore, a leap of faith is required on both sides, when the commitment to a project is made. The leap of faith is thus made at the moment the final decision is made to employ a certain service provider, but it is a moment which has been preceded by a process of information gathering and presentation on both sides, making it, as we have seen, a temporally and contextually embedded phenomenon. Furthermore, while external social structures, such as we have seen hold markets together and bring order to them, may provide part of the basis for trust, we argue that it rarely provides a full explanation, and so market trust is neither solely institutional nor solely interactional, but rather created through a combination of the two. (see Bachmann 2011 and ; Dietz 2011 for the current debate on the

issue) It is a cross-level phenomenon, where impact on one level of analysis will exert influence on another level – context influences the interindividual level, and vice versa. (Dietz 2011; Saunders et al. 2010)

1.4 Research question and aims of the study

Having thus moved from our initial, more general question of how exchange comes about on markets, we have now arrived at the aspect of this rather broad question which is the purpose of this study: to further our understanding of how exchange may come about on professional service markets, and more specifically, the process of trust creation in this situation. The question which we will seek to answer in the following pages is thus:

How is trust between buyer and seller created on professional service markets?

Seeing as to the collaborative nature of services as discussed above, this entails understanding both the buyer's decision to make a leap of faith based on interpretation of the past and expectations of the future, and the seller's ability to close the gap of the unknown and appear trustworthy.

The purpose of this study is to contribute primarily to two areas of research: professional service markets and trust. Concerning the topic of service markets, as the observant reader will have noticed from the references, the literature on the topic is largely dominated by two main areas of research: marketing, which focuses on the nature of services as opposed to other products and effects this will have on market possibilities, and economic sociology, which focuses on the mechanisms of markets themselves.

It is the ambition of this thesis to contribute to a less frequented perspective, namely that of organization theory, and thus contribute to current research in organization studies on the topics of market mechanisms (see for example Djelic, Nooteboom and Whitley 2005; Glückler and Armbrüster 2003; Hanlon 2004). Applying an organizational perspective on markets highlights the horizontal interaction on markets, rather than the vertical (as is often the case in marketing studies), and furthermore how individuals interact with organizations as well as the market as a whole. This view on organizations as meso-level structures, affecting both markets and individuals, complements market studies in economic sociology, which often focus more on the macro level of market interaction, and less on for example individuals' interaction with organizations. It is therefore proposed that by regarding market interaction through the lens of organization theory, previous research in marketing and economic sociology may be supplemented, as has indeed been shown by earlier essays at this perspective. Furthermore, there is currently a growing interest in professional services in organizational research, where this study will also be able to contribute. A research area still largely at the stage of developing taxonomies, and often focusing on internal organization rather than external interaction, this thesis seeks to contribute to both the definition of the concept as well as a more market-focused approach, and how the nature of professional services in terms of for example specialised knowledge and collaborative production affects how market exchange takes place. (von Nordenflycht 2010) The contribution to service market research is thus twofold: first, to combine organization theory with sociology and market studies to gain further insight into

the meso- and microlevels of market interaction, and second, to contribute to research in professional services by regarding how external interaction is interlinked with service creation, and also by suggesting that the creative industries may well be seen as part of professional services, in addition to more common examples of accounting and law. Thereby, the study is able to contribute to the stream of research on professional service firms which focuses on constructing a theory for professional service firms, and how their particular characteristics influence their space for action, in this example on the market. (Greenwood et al. 2005)

Secondly, the study aims to contribute to trust research, both in terms of trust studies within organization studies, and within trust research itself. To many researchers in organization, trust seems to appear a cumbersome concept, possibly initially interesting, but when applied at organizations of little analytical use. However, this might be not because of inherent problems with the notion of trust itself, but rather because much trust research stems from psychology – which, focusing less on interpretation of interaction than on perceptions and measurable qualities, is not necessarily best suited for analysis in more qualitatively oriented organization studies. While this is not to say that such psychologically research in trust may not be both illuminating and informative, it is arguably a case where methodological differences lead to analytical difficulties, or, more specifically, a whole concept being thrown out with the bathwater because for example measurable aspects of trust are not necessarily the most helpful analytical tool if one wants to interpret qualitative data. A more sociologically oriented percep-

tion of trust (Lewis and Weigert 1985; Luhmann 1979; Möllering 2001), it is argued, may be more suitable for organization studies, as it allows us to focus on interaction between individuals and between social structures and individuals, and thus follow a route more applicable to the notion of human coordination as studied in organization studies. By highlighting this, more sociological perception of trust, it is hoped that organization studies may gain a broader understanding of trust, which would allow for a methodologically wider spectrum of studies, and the analysis of interpretative qualitative data as well as measurable quantitative. Obviously, this is a road travelled before, and thus this study does not propose to take credit for bringing sociology into organizations studies on trust, but rather to continue to pave the way for a direction already proposed by others. Arguably, it is methodological differences rather than barrenness of the concept itself that has resulted in trust becoming an issue many organizational researchers tend to give a wide berth. This contribution is made primarily in chapter 6 and the first part of chapter 3, where the nature of trust and its implications on the interindividual level is discussed.

The second contribution in the area of trust is more in terms of the field of trust research itself, and pertains to trust as a temporally and socially embedded phenomenon. In recent research, more attention has been drawn to this contextual aspect of trust, focusing less on trust as an isolated phenomenon, but rather how context will shape trust creation, (Saunders et al. 2010) which is echoed in earlier calls for more multilevel analysis in trust research (Djelic, Nooteboom and Whitley 2005; Paradeise 2003). Although

trust develops between two individuals, these actors are likely embedded in a social structure, which shapes meaning and their interpretation of the situation, and consequently these structures will also have an influence on the trust creating process. (Johns 2006) Therefore, trust cannot be understood without taking the specific context into consideration. (Lyon 2006) Furthermore, it has been shown that without the appropriate institutional context, interorganizational trust rarely evolves. (Child and Möllering 2003; Lane and Bachmann 1996) Thus, trust seems neither understandable nor probable unless its context is taken into account. However, in order to understand context, being quite a broad notion, we arguably need to conceptualise it. While it is has been established that context matters, this thesis seeks to develop this idea by providing a framework with which the context of trust creation in the context of markets may be analyzed and understood. Thereby, it will also be possible to narrow a broader idea of context in general, to a more succinct study of the aspects of context that are relevant to trust creation. This contribution is made primarily in the second half of chapter 3, where a conceptualization of the context of trust creation on professional service markets is presented.

The present study thus has the ambition contribute to primarily three areas of research: firstly, to the studies of professional service firms, by furthering knowledge on the mechanisms of the markets where they interact, which in turn to a large degree emanate from the nature of professional services themselves – in other words, the effects of the characteristics of professional services on the nature of their markets. Secondly, to further a more

sociologically oriented view on trust in organizational studies, to complement the psychological research that is presently commonplace. Thirdly, to contribute to trust research itself, by providing a conceptualisation of the context of trust creation, and thus how context shapes the possibilities of trust.

1.5 Empirical setting

Given the importance of social structures for uncertain markets, the empirical material for this study has been chosen so as to represent two markets which are similar in that they are both professional services with similar levels of uncertainty and professionalization, but at the same time structurally very different. In order to be able to compare and contrast, two professional service markets have been chosen, namely management consulting and theatre direction. Differences between industries in terms of norms and institutions are often more significant than differences between individual firms, and thus cross-industry comparison allows for illuminating exploration of the significance of context. (Johns 2006) The particular juxtaposition of art and business used here has recently been shown to make for an interesting comparison in these respects. (Darin 2009) Furthermore, we are thereby able to address the lack of research on the labour market requirements and characteristics in creative industries, and arguably professional services in general. Thereby, including creative industries such as the theatre in studies of professional services may help us understand other knowledge intensive services more established as such, for example management consulting (Haunschild 2003; Haunschild and Eikhof 2009) The two studies mainly consist of interviews with buyers and sellers (given the co-

constructive nature of the services), 19 in the consulting case, and 25 in the theatre case. The latter case has also been complemented with participant observation at a major industry event.

1.6 Disposition

Of these two cases, the theatre case takes the more prominent role, with management consulting playing the part of comparative case – in short, if the cases were a double act, management consulting is the sidekick rather than the protagonist. The theatre is also used in a more metaphorical sense in this thesis, namely to headline its chapters, and thus provide structural guidance to the story told in this book. In qualitative research maybe more than in other areas, the proof of the pudding lies in the eating, i.e. how convinced the reader is of the argument after having read it, and thus a thesis becomes not so much a report on the research made, but rather an effort to tell a convincing tale, in this respect not dissimilar to what one would aim for with a theatre production. In order to attain this, it does not suffice with a story alone, but the means with which to tell it are also required: the empirical evidence, and the previous research in this context, or the cast and the set in the context of theatre. So, the story begins with this introduction, before moving on to the empirical study, and the respective markets of consulting and theatre direction, which are presented in chapter 2.

In order to study how trust is created in concordance with the view on trust as embedded in a social and temporal context, I will apply a multilevel framework, analysing how trust is created on the macro level of markets

and fields, on the meso level of organizations and on the micro level of personal interaction. This approach allows us to study the details of the social structures and bases for interpretation and expectation available for the market actors, and thereby dissect the process of attaining trust. This theoretical toolbox will be presented in chapter 3.

Chapter 4 marks the beginning of the analysis, presenting the empirical material on the market level of the trust-creating process, which focuses on two aspects: networks and identity, and the impact of field powers (Bourdieu 2000). In this chapter, the focus will be on the theatre case, while management consulting serves as a reference. We then move on to the organizational level in chapter 5, and how the polyphonic (Bakhtin 1971; Belova, King and Sliwa 2008) and bounded (Hernes 2004) nature of organizations may affect the process of trust creation between buyer and seller. In chapter 6, we have arrived at the interpersonal level, where the development of trust is discussed, as well as the social structures active on this level. Here, the focus lies on management consulting, with theatre direction taking the referencing role.

The thesis then ends with the concluding chapter 7, where we return to our research question, and the conclusions that can be drawn to answer it in light of the findings made in the analysis. And then, hopefully somewhat wiser on trust creation and professional service markets, the reader can happily close the book.

2 Casting: directors and consultants

What's in a name? That which we call a rose
By any other name would smell as sweet.
William Shakespeare: Romeo and Juliet

Following on from our introduction, we will in the following chapter focus on the empirical side of service markets, and more specifically the markets studied here, namely theatre direction and managements consulting. Starting off with a presentation of the two studied markets, and the mechanisms they have in common as well as those that differ, we will then move on to make a more detailed description of them, based on previous research and the interviews made for this study. On this empirical note, the chapter will end with a presentation of the methodology used in this study.

2.1 The dual foci of theatre and consulting – similarities and differences

The markets of management consulting and theatre directions have been chosen as to have similarities in some respects, so as to ascertain that it is the same basic situation that is at hand, but also to differ in terms of the nature of the field. In the following, we will take a closer look at the aspects they have in common, as well as those that separate them.

These markets may be regarded from two viewpoints: either with a focus on the service produced, and what characterises it, or as labour markets, focusing on the working conditions they present. In short: as service markets or as labour markets. As service on offer and the worker providing it are inextricably linked in professional services, it makes sense to regard both aspects, at least if one wants to understand, as we do, how service providers are chosen.

From a service market point of view, the most obvious similarity would perhaps be that both the theatre and management consulting are industries where the product on offer is a service which created in participation with the commissioner, and tailor-made for that particular client. Thus, each output is unique, and in some industries, such as the theatre, even required to be so – one may speak of an innovation imperative, even. (Smith and McKinlay 2009) Although the service on offer obviously can be discussed beforehand, there still remains a significant amount of uncertainty as to what will actually take place, and the results of this, on the side of both parties. The studied businesses are thus characterised by what Faulkner (1971) terms collective production, where the consumer is as active and important for the product as the producer. Faulkner's studies were primarily of Hollywood musicians, but, as has been shown by Aspers (2001), his description of the nature of their market also holds true for other aesthetic domains. And, I would argue, indeed for all services that are collaborative in their execution. A further implication, stemming from the transient nature of services, is that past projects remain only at best in the memories of those

who witnessed them. Therefore, if you want to be able to present examples of your work, you must work continuously – while a photographer might seek new work showcasing the photos from last year’s work, a theatre director who has been out of work lately has little to show as to prove his/her abilities – once the project in question is finished, there is little to show to outsiders. Only by working can you demonstrate your abilities. (Haunschild and Eikhof 2009)

In addition, the service provided is of great importance to both parties – to the seller obviously, since it provides a livelihood and career, but also to the buyer, either (or both) because the project is costly and because the service provided is central to the commissioner’s own business. Finally, it is not possible to establish and measure the results of the service in any objective manner, and so, to what extent the project was successful remains a subjective matter. Arguably, this is the case with all services, but the important aspect here is that there is no legitimate quantifiable measurement which is universally acknowledged in the field. Standard contracts are typically incomplete, since it is usually not possible to specify all details in advance – instead, other mechanisms such as norm systems or reputation is relied upon. (Smith and McKinlay 2009) Thus, the chosen situations have in common that they have a large inherent amount of uncertainty, where much is at stake for both parties, but where there are little possibilities for either of them to diminish uncertainty with formal contracts.

However, although the product and the process leading up to it are laden with uncertainty, the working process in the studied fields is not arbitrary. The working process in both fields is largely characterized by an abundance of what Weick (1996) terms “weak situations”, i.e. e situations that are ambiguous and open-ended rather than self-explanatory, lacking in clear-cut cues of how they should be interpreted. As a consequence, people finding themselves in such situations tend to look for cues as to how the situation should be understood – cues that may be found in for example industry norms or incorporated habitus. These cues are then enacted, which leads to the situation becoming stronger, and over time to establishment of structures, as these enactment sediment to form norms. Through this process, the microdynamics of the weak situation leads to macrostructures, which in turn serve to make future situations stronger for the actors in that field. One might therefore assume that these two markets would be highly institutionalised fields, when it comes to how work is organized, and how one goes about to set up new projects, although these norm systems might consist informal social system rather than official regulation and formal standards. (Jones, Hesterly and Borgatti 1997) The working process itself may be non routine, complex and unpredictable, to a large sense depending on the intuitive sense of the participants (whether this pertains to how a certain scene should be staged or whether the participants in a workshop led by a consultant go away from it with what they were meant to learn). (Faulkner and Anderson 1987) The organization of work and the succession of projects, however, is to a large extent characterized by sedimented social structures. The prevalence of freelancers, for example, is a structure

that to the newcomer entering the field appears not as something open to reconstruction, but as a stable social fact in the Durkheimian sense. This means that the formal structure of doing business, as it were, in the field, is something all its actors have to be more or less consciously aware of, and act according to its logic. This brings us neatly to the second perspective suggested, that of seeing these markets as labour markets, and the consequences the nature of the service provided will have for how employment is organised.

In the past decades, we have been able to observe a general tendency in western societies towards an increase in flexibility, where even core processes become outsourced, project-based organizing become more prevalent, and boundaryless careers become the norm. It should be noted that the relationship between flexible, boundaryless workers, and flexible, project-oriented organization is one of interdependence, a parallel development rather than cause and effect. In its wake, networks gain importance, as a means of conveying information and upholding reputations. (Arthur 1994) There is also a tendency towards increased knowledge intensity, leading some to speak of the advent of the information or knowledge society. In the nexus of these two general tendencies we find the two industries studied here, demarked by high levels of both flexibility and knowledge intensity. (Menger 1999) The result will often be project-based organizing, where skilled specialists are used to perform complex, non-routine tasks. (DeFillippi and Arthur 1998) This situation has been described by researchers in professional services and creative industries alike, but it would

seem the two rarely meet, although they as we have seen share many characteristics when it comes to working conditions.

Work in both the studied industries is commonly organised into projects, functioning as temporary systems, theatre even being described as “the epitome of temporariness”.(Goodman and Goodman 1976), as a response to the conditions of work: tasks are complex and non-routine, and the environment uncertain and dynamic. (Jones 1996a) The prevalence of such temporary systems leads to demand a flexible work-force, characterised by self-employed or small organizations, which in effect serve as an umbrella for a group of freelancers. The typical career as a result becomes boundary-less, “improvised work experiences that rise progressively into fragments and fall retrospectively into patterns – a mixture of continuity and discontinuity” (Weick 1996 p 40), or, put more pragmatically, careers that transcend organizational boundaries rather than being circumscribed by them. A career in this context then becomes the result of supply and demand being repeatedly matched, the result of market exchange over time – “a succession of temporary projects embodied in an identifiable line of credits” (Faulkner and Anderson 1987 p 887). This temporariness of endeavours arguably makes project-based industries suitable for understanding markets, since exchange is frequent and the processes complex, often making the selection process opaque even for insiders. (Faulkner and Anderson 1987)

While workers in such markets may formally move between being employed and being self-employed, these changes would likely have little effect

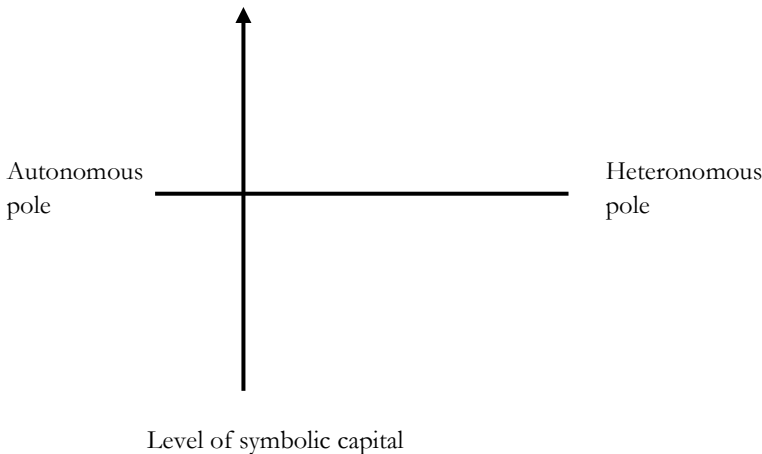
on their working conditions, which may be described in terms of these service providers being portfolio-workers. As has been noted in previous research, it makes little sense to lump callcenter-workers at temporary work agencies together with artists and management consultants, and expect to draw any general conclusions as to how this motley group would function. Thus, calls have been made for a more precise taxonomy, where portfolio-workers are defined as workers who offer service for a fee (in contrast to wage labour at home, for example), and who more importantly have transferable, professional skills which make them apt for freelance work, as these skills may be put to use in a variety of client organizations with a minimum of complementary training. Such temporary workers are thus highly skilled, often highly educated, and freelance because their skills are so specialised that any one organization cannot offer full-time, long term employment, rather than because they are unskilled and replaceable. (Fraser and Gold 2001) However, while these industries to a large extent are characterised by temporariness, these temporary projects are often connected and assembled from enduring personal networks, which stem from friendship and earlier working experiences accumulated over time. Thus, informal relationship nearly always precedes formal organization. This pattern can be seen not only in the two studied industries, but also in for example construction, architecture, film and music. (Smith-Doerr and Powell 2005) The cause and effect of these networks will be discussed more fully in chapter 3, the section about the field level.

If we have until now focused on the similarities between the two industries, they are obviously in many respects also fundamentally different, and indeed chosen with these differences in mind. By being able to compare two different markets, we better our chances to illuminate trust creation and market mechanisms in different settings, highlighting different aspects, and creating an understanding of what expression problems and solutions may take, given the circumstances.

As was alluded to in the introduction, this study in many respects builds on the theory of field, capital and habitus put forward by French sociologist and anthropologist Pierre Bourdieu (1930-2002). While Bourdieu's framework can hardly be said to be extensively used in organization studies, it is not unknown either, and especially in recent times it has been repeatedly suggested that it should be used more frequently than it presently is, since it would prove useful to the issues organization research is currently engaged in. (see for example Emirbayer and Johnson 2008; Vaughan 2008; Özbilgin and Tatli 2005) Arguably, 'grand social theories' such as Bourdieu's, are indeed necessary if one wants to understand multi-level problems, such as the one studied here, since they provide integrative frameworks that allow for analysis of microlevel dynamics as well as macrolevel structures. In the case of career studies, the labour market side of professional service markets, there is need for a framework which addresses the structure-agency problem, social boundaries and furthermore the element of time, attending to the dynamics of the situation and how these may develop, all of which a framework such as Bourdieu's may offer. (Chudzikowski and Mayrhofer

2011) This framework will be discussed more fully in chapter 3, suffice to say for now that we will have reason to return to Bourdieu. Returning to our initial question of the differences between the two markets studied, from a Bourdieuan point of view, the two fields are situated at opposite poles of the social realm: artistic, anti-economic logic in the theatre, and economic logic in consultancy. (Bourdieu 2000: 216) Consequently, in the social space, people working in the theatre are situated in the field of cultural production, while management consultants and their clients are situated in the field of economic power. (Broady 2000: 17) Figure 1 below depicts the basic structure of an autonomous field, while a more heteronomous field will in effect not be a field at all, as field powers as an effect of the lack of autonomy will become negligible.

Figure 2



Field of cultural production (adapted from Broady 2000 p 18)

By studying different fields, Bourdieu argues, the underlying mechanisms and structures become more clearly visible, thereby using the power of comparison to its full effect. “It is a matter” Bourdieu argues, “of at once trying to understand the invariant qualities that are present in all fields, and the specific form that the general mechanisms and the framework which describes it (capital, investment, interest etc) will take in each field.”(Bourdieu 2000: 271) Theatre production constitutes a subfield within the field of cultural production, following the pattern outlined in figure 2 above. Consulting, on the other hand, is located in the commercial section of society, which is not to the same extent characterized by autonomy, following a general pattern of fields of cultural production tending to be more autonomous than those within the economic field. The prevalence of field mechanisms in the arts field has been amply supported by earlier studies of the cultural fields (see for example Broady 1998b). Juxtaposing the markets of theatre direction and consulting services allows us to study the influence of field powers on the possibilities for trust creation on a market, as we are able to compare and contrast two markets: one which also constitutes an autonomous field, while the other is denoted by a larger degree of heteronomy - in comparison to the market of theatre direction, the market for consulting services is not subject to the influence of the forces of the field. As an autonomous field will present quite formidable power over its actors, this difference should be expected to have fundamental impact on the dynamics of these markets and the conditions for trust creation on them. .

In recent trust research, increasing attention has been paid to the context dependency of trust building. Researchers point to the influence of for example cultural context (Schumann et al. 2010) or institutions (Bachmann and Inkpen 2011) if we are to understand the development of interpersonal trust. In lieu of this development, the present study seeks to contribute to this discussion by offering a comparative study of two markets that differ in terms of norms and institutional settings, thereby attempting to provide further insights into the impact of context on what forms trust creation will take. While earlier research has established the bases for trust (cf Möllering 2006), it largely remains to be seen how institutional or cultural context will influence the specific form the trust building process will take on a specific market. This study seeks to contribute to this area of enquiry, as suggested by recent developments in trust research as to the significance of context (Saunders et al. 2010).

2.2 The market for theatre direction

The cloud-capp'd tow'rs, the gorgeous palaces,
The solemn temples, the great globe itself,
Yea, all which it inherit, shall dissolve,
And, like this insubstantial pageant faded,
Leave not a rack behind. We are such stuff
As dreams are made on
William Shakespeare: The Tempest

While the organization of work and labour markets of creative industries have certainly attracted some scholarly attention in later years, this attention has to a large degree been focused on film and TV-production, and to a

lesser degree on dramatic arts, such as theatre or dance. Nevertheless, there is some previous research that may help us form an understanding of the theatre as a labour market, and how it is organised. Furthermore, there are many similarities with other creative industries, although each industry to some extent has its own distinctive character. As temporary employment, freelancing and self-employment is the established norm in Swedish theatre, especially for directors, the service market in this industry is to a large extent also a labour market, and so it is largely in those terms that we will describe it. The aim of this section is then to give a basic understanding of the labour market aspect of Swedish theatre, focusing on the directors, based on earlier research and the empirical findings of this section.

2.2.1 Characteristics of the creative industries

What is theatre? Obviously, an art form, but it might also be described in terms of a complex service, where the moment of production is difficult to monitor and evaluate. (Smith and McKinlay 2009) While this is true of all creative industries to some extent, is it especially so in the theatre and other dramatic arts, since they to their nature are transitory – once the play has ended, it resides only in the memory of the viewers, unlike a book or a film, which can be stored. Furthermore, what can be stored can also be moved, and thus one does not have to be in the US to be able to keep track of interesting new talent in the American film industry – theatre, by contrast, is spatially much more limited, most production in effect specially designed for the venue where they were produced, and only very rarely if ever moved from that venue. Of the creative industries, theatre and other dramatic arts are therefore more downright services than others, since there is no goods

element to them, and they are wholly transient to their nature. While the theatre and other creative industries are often thought of as somehow fundamentally different to other industries because of their creative and artistic element, when it comes to organizational and labour market aspects, they are not so distanced from other industries after all, and indeed have much in common with other complex services. Routine and creativity are to some extent present in all trades, and thus to make clear-cut distinctions from a labour market point of view based on work content alone is rarely fruitful. The act of creativity alone does not make the actor's work fundamentally different from the gardeners' or the teacher's. (Smith and McKinlay 2009 s 33) While not disregarding the importance of the creative content of the work in these industries, we do ourselves a disservice in understanding its labour market if we conclude that theatre is therefore exempt from mechanisms and institutions that may be found in other, less creative industries. (Christopherson 2009) People are people, even if they happen to walk on a stage, to put it somewhat crassly.

Thus, even if the theatre worker is hardly another species, there are nevertheless some characteristics that combine to make the conditions of work in creative industries in many respects distinct from other industries. It is less the case of one characteristic unique to creative industries that set them apart from everything else, than a combination of characteristics that together form different conditions – that each by each may be found in other industries, but taken together set creative industries apart. These have been listed (Caves 2000; Haunschild 2003) as: the nobody knows property (no-

body knows beforehand what will turn out to be successful, i.e. e demand is uncertain), Art for art's sake (the main motivation for workers is to create art, rather than for example pecuniary rewards, as will be discussed more fully in the Macro level section), the motley crew principle (creative products tend to demand the input of diversely skilled workers), infinite variety (each product is different, hence the need and importance of critics and the like as evaluators), A-list/B-list (Artists are ranked according to their perceived skills and proficiency, resulting in a hierarchy) and time flies (projects are limited time-wise since production is costly, thus time is nearly always of the essence). The final property listed by Caves, *Ars longa* (art is long, time is short – i.e. e, works of art may outlive the artists that created them), however, does not really apply to the theatre and other performing arts, other than to the extent that successful productions are able to live on in the memory of the industry. This direct contact between audience and performers also reduces the need for a middle man to take care of distribution, as may be seen in for example the film and music industries. (Haunschild 2003) Some of these characteristics the reader will recognise from previous lists of the characteristics of professional services, for example the infinite variety property, while others, such as *ars longa*, are not applicable to theatre. Nevertheless, this compilation points to the distinguishing features of the creative industries, which in many respects create the conditions for creative labour. While these properties may not be unique for the creative industries, they are often more pronounced there.

Another characteristic of the creative industries, which is also very present in theatre, is what might be termed the innovation imperative, or the imperative of innovative creativeness. (Haunschild 2004) In other words, each production is expected to offer something new to the world – the industry’s patience which repeating even a very successful idea is limited, to say the least, and to be seen to be repeating yourself is one of the most severe criticism one may encounter. Moreover, not only the industry, but also the audience rarely want to consume the good twice, in other words, see a play or a film more than once. Herein also lays one of the reasons why commercial success is often difficult in creative industries, for while production is often labour intensive and therefore expensive, reproduction is often comparatively cheap. (Smith and McKinlay 2009 p 34) Thus, in order to succeed financially, a cultural good must reach as wide an audience as possible – which is of course easier done in arts that can be commodified, such as feature films and novels, in comparison to performing arts like theatre, hence the lack of commercial potential and subsistent need for public funding or other sponsors in most theatre. A further consequence of theatre productions not being possible to commodify or transform into goods, is that it matters much more in theatre than in for example film *where* you do a certain production. A locally made film nevertheless has the possibility of being seen on the international market, as many film directors picked up by Hollywood on the basis of artistically successful national films will have noticed (a recent example given by Swedish director Tomas Alfredson, whose upcoming international debut “Tinker Taylor Soldier Spy” was made possible by the success of the Swedish “Let the right one in.”). A local theatre

production, however, will most likely be seen by very few, especially if made in a small provincial theatre seldom visited by theatre managers from larger cities such as Stockholm, Gothenburg or Malmö. Therefore, as theatre productions usually do not travel, location is much more important in the theatre and other performing arts than in for example film and music. (Haunschild 2003)

One way of offering something new is of course to be new, and the industry as a whole often seems to be perennially looking for the next big thing, the next new talent. This is especially pronounced for those occupations which are seen as having the creative responsibility, such as directors. While there are certainly many barriers to entering the market for theatre direction, the innovation imperative thus has the side effect of often making it even harder to stay in business over a long career, for there will always be new talent with fresh, new ideas, to compete with. These barriers to entry are to a large extent there because the theatre, as we have discussed earlier, constitutes a field. (Eikhof 2010) While the specificities of the field will be discussed more in full in the next chapter, when the theoretical framework is presented, it may suffice here to say that in order to successfully work in the theatre, a conviction of the importance of theatre itself is necessary, at least if one wants to be seen as interesting to work with by others. (Haunschild 2004) While establishing yourself in the field, and thereby on the market, often requires many years of hard work in building networks, accumulating credits and gaining status, this is very rarely seen as strategic investments and marketing, purposefully performed to further

your career, but rather they are done out of enthusiasm and interest in the creative process, continually seeking new interesting contexts, and new ways to push the envelope of creative boundaries, for yourself and for the theatre in general. The presence of a field thus masks or rather put a different perspective on the efforts necessary to work in the field. (Eikhof and Haunschild 2006)

2.2.2 Theatre as a labour market

In the last decades, Swedish theatre has gone through a shift from long term contracts to short term employment, a development which can be seen not only in Sweden, but also in for example Finland, England, Germany and the US. A virtual employment freeze has lead to very few younger theatre workers being able to gain permanent employment, resulting in a comparatively high average age amongst those that do have permanent positions. (Haunschild 2004; Karhunen 2004) The labour market in theatre is thus moving towards an increasing level of flexibility, especially when it comes to the creative personnel. With long term employment becoming increasingly rare, most will find themselves finding work on a freelance-basis, either on temporary contracts or as self-employed – in Sweden, the proportion of freelancers within the work force in theatre amounts to 80 per cent (Menger 1999; Teaterförbundet 2006). Although they may not regard themselves in these terms, it could be argued that the theatre is a world filled with entrepreneurs. Or even that in order to be able to build a career in modern theatre, one has to be able to be entrepreneurial.(Eikhof and Haunschild 2006) Not perhaps in the economic rationalistic sense of identifying a business opportunity and building a company, but in the more

social constructivist sense of the person who is able to perceive an opportunity to create something new, and act upon this perception. The entrepreneur in this sense is continuously searching for “an elsewhere, for another moment to use” (Steyaert and Hjorth 2003 p 19) In this quest for opportunities, the network in which the entrepreneur – in this case, the artist – is embedded will play a crucial role both in the creation and enactment of these opportunities, as will be discussed more fully in the theoretical framework. A more flexible employment system makes for a development moving from ensemble-oriented theatre to more production-oriented focus and organization, which on the one hand opens up possibilities for the individual theatre manager to produce whatever plays which whatever cast seems most appropriate and promising for the time being, rather than being confined to what would suit the ensemble at hand.

On the other hand, however, this development towards more temporary engagement does have a range of labour market effects apart from making organizations more flexible. In moving from organization to market as predominant organising principle, several factors are in effect moved from being the responsibility of the employer, the theatre in this case, to being the responsibility of the individual artist. With the introduction of boundaryless careers, which will be the effect of this development, career development becomes the headache of each individual worker, rather than their employer. You cannot rely on any one employer being interested in how your career and skills will develop – they hire artists for a particular project, and expect them to do that well, but are not likely to take an interest in their

long-term development a permanent employer might be. Thus, the responsibility for both career development and training is moved from theatre managers to individual artists. (Arthur and Rousseau 1996) Furthermore, individual organizations, theatres in this case, decrease in importance as learning systems, as the knowledge amassed in a particular production is dispersed once the production has ended, and the individual artists move on to other projects at other theatres. Learning is thus moved from organizations to individuals, or possibly reputational networks or close-knit communities of practice. (Arthur 1994; Davenport 2006) What organizations may provide are interesting projects, which offer an arena or platform for learning, working with interesting co-workers that might both improve your skills and the quality of the production, and finally the opportunity to be seen. In other words, organizations are still important for developing skills and careers, but as temporary platforms for freelancers, not as enclosed greenhouses for long term development.(Haunschild 2003)

This development towards increased temporariness of course also put increased demands on theatre managers to keep themselves informed about the capabilities and skills not only of their in-house personnel, but also of the vastly greater number of possible freelancers. Arguably, if this freelance market is big enough, say on international labour markets such as those found in film or Anglo-Saxon theatre (primarily London and New York), this gives rise to a need for agents, as the freelancers and the possible job openings become too many to keep track of for managers and artists, and matchmaking instead becomes the full-time job for a third party, hence

agents. In smaller markets, such as may be found in the Nordic countries, agents are less common, and recruitment procedures are usually informal, relying neither on agents nor on auditions.(Karhunen 2004) Other reasons why agents are largely lacking in non Anglo-Saxon theatre might be a comparatively low level of standardization and moreover that the financial constraints are such that there is little room for employing such a third party. (Haunschild 2003)

Furthermore, while the organizations lessens their exposure to financial risk by substituting more permanent modes of employment with freelancers, this does not mean that this risk is eliminated, but rather that it is shifted to the individual worker. The level of risk of artistic endeavours is often high and never negligible, for there is a “built-in pervasive uncertainty of artistic undertakings” (Menger 1999 p 542). Artistic work, such as the theatre, shares a number of elements common to all or most services, as was discussed earlier: consumed at the same time as they are produced, they are irreversible, hard to predict beforehand and to measure afterwards, which in the case of creative goods is accentuated by the added uncertainty of demand (Caves 2000; Clark 1995) Furthermore, the collaborative nature of the service adds to the uncertainty of the outcome, since a freelancing director, for example, cannot be held solely responsible for the resulting production. Since no one person can control how the project will evolve, it means that it will be impossible for any one person to control the outcome. Finally, the theatre ups the stakes compared to other service industries: when a theatre manager hires a freelancer to direct a play, it is de facto the

core business which is at stake. The theatre manager, when choosing the play to be produced, and the artistic personnel to do it, has to trust the people he or she chooses to be able to stage an interesting production that meets the standards of the theatre company, and make that leap of faith in order to the production to happen. With this shift towards greater levels of flexibility, the human resource aspect of this risk due to uncertainty of demand and production results is pushed downwards, as the individual worker's risk of unemployment is of course greatly increased when becoming a freelancer in comparison to being permanently employed. Risk is thus in effect delegated to individual workers, increasing their exposure, which in turn may increase stress and hamper the possibilities of for example family life and children, since you may not know if and where you will be working in the future. (Blair, Grey and Randle 1998; Randle and Culkin 2009) In the extreme, workers end up spending more time and energy thinking about where the next job will come from, than on the project currently at hand, resulting in an industry which is always already elsewhere. (Dex et al. 2000)

In addition to these shifts of learning, career development responsibility and risk from employer to employee, flexibilisation also has effects on the level of institutionalisation and stability of structures of the industry. Reputations increase in importance as they become the key to future employment possibilities. Hence no-one can afford a failure, as reputations are built not so much on tenure as perceived artistic merit, and thus require a reasonably consistent track record of successful productions, in locations

where others have been able to see them. (Haunschild 2004) These sanctions against failure or less successful endeavours, in the form of damaged or even ruined reputations also has the effect of decreasing the demand for complete contracts – as a rule, contracts are kept to a minimum, as reputations ensure contract delivery, rather than any forfeit specified in the contract. (Smith and McKinlay 2009) In Swedish theatre, the contracts between directors and theatres are rarely longer than half a page, and usually stipulate only the production, the economic compensation and the length of the engagement.

Furthermore, as theatre and film are collective efforts, the importance of reputations and credits creates a dependency on other production members to do their part of the work well, as your own success will to a large extent be dependent on them. As a result, repeated collaborations tend to become more frequent, as one might prefer working with someone you know you work well with, rather than someone new. (Blair, Grey and Randle 1998) So, for example, theatre directors usually get to choose what production designer they want to work with, and often enough, these collaborations are in effect much more long term than a singular production. These repeated collaborations, and the importance of networks, makes it sensible to invest in building relations within the production team, even if you will only be working together for a limited amount of time. Loyalty is expected and given to individuals and professional ethics, rather than to organizations, as bonds between individuals become more durable than those between organizations and individuals. As a consequence, what networks you belong

to often becomes more important than what organization you happen to be temporarily engaged in (Haunschild 2003). Creativity in this and many other industries is thus an embedded phenomenon, the result of collaborative effort, rather than the effect of the individual genius of any one artist. Consequently, the production process in creative industries will tend to be surrounded by institutions and social structures, which provide the necessary context (DeFillippi, Grabher and Jones 2007). In order for hastily assembled project groups to be able to work together efficiently with a minimum of preparation, roles often become more pre-set and clearly defined, and hierarchies enforced. Clearly defined occupational roles, where everyone has their set task in the production makes for functional co-operation between strangers within a short time span (Goodman and Goodman 1972). Thus, organizational development often becomes stifled, as organizational forms are cemented rather than the subject of experiments and innovation. Thus, paradoxically, while project-based employment is often thought to foster innovativeness, flexibility and knowledge transfer, evidence from for example the film industry suggests that it also, perhaps more inadvertently, promotes strong hierarchies and industry norms of production. (Davenport 2006) Flexibility does thus not bring diversity, as social hierarchies based on for example class and gender are enforced rather than undermined. (Gruulis and Stoyanova 2009 p 151) The strength of these institutional frameworks is thereby able to provide some element of stable work arrangements, in spite of the industry generally being based on temporary projects. The boundaryless careers that are the result become sustainable through the presence of stable networks and industry norms. (Haunschild 2003)

We mentioned above that the theatre usually finds itself under severe financial constraints, and as in many other creative industries, these constraints have become more rather than less pronounced in recent years, as subsidies for the arts have dwindled or stagnated in Sweden and many other western countries. In combination with an increase in competition, as a result of the rise of temporary employment which makes for more available candidates for every position, the result is a perception of ever increased competition for dwindling resources. (Dex et al. 2000; Haunschild and Eikhof 2009; Wennersten 2011) As a consequence of this increased pressure, the autonomy of the field is seen to be threatened, as theatres and other creative industries are made to move away from the Art for art's sake property, to make room for commercial aspects such as audience appeal. (Beda 2011; Christopherson 2009) Thus, while the theatre manager is nominally given the freedom to produce whatever theatre is artistically most viable, in effect this freedom is circumscribed by financial restraints.

This conflict between artistic and economic logics is ever present in theatre and other cultural industries, and we will discuss it more in detail below, when discussing Bourdieu and the concept of the field. Suffice to say at present that the presence of the Art for art's sake property, and the relative autonomy of the field, make for example HRM-processes borrowed from the business world often seen as unpalatable in the theatre, as they are perceived as springing from a commercial and business-oriented logic which is anathema in cultural fields such as the theatre. The amount of knowledge

transfer from organizations in other industries in this respect is therefore limited, and formal HRM-practices are often kept at a minimum, as they would be seen as contaminating rather than furthering the industry. (Eikhof and Haunschild 2007) For this reason, and those accounted for earlier as to the demand for quick and efficient staffing mechanisms in an area where assessment of skills and capabilities are difficult, recruitment, contracts, and so on are more often than not informal. These informal practices make signalling all the more important, which lends another dimension to formal education. While skills are in practice often learnt on the job, in communities of practice, formal education nevertheless has increased rather than decreased in importance. (Grugulis and Stoyanova 2009) In general, the number of formally educated workers in theatre increases, to a large degree because being able to enter these educations is seen as a signal of talent. (Haunschild 2004; Karhunen 2004) In Sweden, as in many other countries, entrance exams have the form of practical tests, judged by esteemed members of the industry, and only those who are perceived to be talented enough pass. Formal education thus in effect becomes a barrier to entry, not so much because they provide unique skills, but moreover as a stamp of approval of talent by the industry – an entrance ticket, if you like. (Haunschild 2003) Long term studies of Finnish theatre show that the value of formal education at least in an economic sense lies in having entered the programme, rather than having finished it, as there is little difference in long term career development between those that completed the program, and those that left early. There are however differences between those that did enter, and those who did not. (Karhunen 2004)

2.2.3 Swedish theatre

Professional theatre in Sweden has a long history, which has led up to present circumstances, the theatres that can be found today, and their positions in the field. While this study does not claim to give an exhaustive account of Swedish theatre, and indeed such accounts have been eloquently made elsewhere (see for example Bergman 1970; Forser and Heed 2007; Hammergren, Helander and Sauter 1996; Hoogland 2005a), it may nevertheless be appropriate to give a short overview of Swedish theatre here, for those readers not already familiar with the industry.

The professional theatres in Sweden can be roughly divided into three groups: independent groups (“fringe”), institutional theatres (for example Stockholm City Theatre or the Royal Dramatic Theatre) and private theatres (“West end”). Institutional theatres may be divided into those theatres that are largely state-funded, the so-called “national stages”, such as The Royal Dramatic Theatre and Riksteatern (“The National Theatre Company”), who are expected to cater for the cultural needs of the whole country. Other institutional theatres are to a large extent regionally funded, often with expectations of local rooting, producing plays that are primarily relevant to that particular region. Location, and thereby size, is vital for the status and impact of these regional theatres: the city theatres in Stockholm and Gothenburg, particularly, are often seen to rival The Royal Dramatic Theatre in importance, representing renewal and modernity in contrast to the more traditional Royal Dramatic Theatre, while smaller theatres in more rural areas far away from the big cities often fail to attract top talent, and are commonly perceived to have comparatively low status. Of course, this

is a very generalist picture, and opinion about which theatres are the most interesting usually differs over time and between different theatre workers. Actors, and to a lesser degree directors, often in effect specialise in either high-status stages in Stockholm, Gothenburg or Malmö, or more regional theatres, which make different demands on the productions to for example be suitable for touring, and be suitable for a local audience that not necessarily consists of experienced theatre goers.

Independent groups, by contrast, are almost exclusively found in larger cities, primarily Stockholm, Malmö and Gothenburg. There are some examples where independent groups have evolved into institutional theatres, but more commonly, these would be very small theatre companies in small venues, who are rarely able to stage more than one play at a time, or plays that require more than 4-5 actors. Work is poorly paid, but the best of these theatres nevertheless enjoy a comparatively high status, as greenhouses for more experimental productions, contemporary drama or contemporary takes on traditional drama, and new talent. While, partially due to very limited marketing budgets and short production runs, big exposure is rarely achieved at these theatres, they are nevertheless often kept under close watch by the larger theatres, and it is not uncommon for the top directors, playwrights and actors to have spent their early years in independent groups, or for established artists to return there when wanting to do a more experimental production, for example breaking typecast. Of course, not all independent theatre companies have the same status and position – an important distinction being between those that have public funding, and can

afford their own permanent stage and some permanent staff, and those that go ahead one production at a time, with no permanent stage and little or no public funding. The latter are understandably often more short-lived, and peter out after a few production - in some rare cases, however, they gain sufficient stability and success to acquire the means to a permanent stage. They typically have low status, and are often formed by young talent not sufficiently established to attain work at more permanent theatres.

The differences between the theatre categories are also evident in the way in which they are funded. Independent groups may or may not have public funding (which they apply for year by year, which a maximum three year guarantee that is granted very few), institutional theatres always have subsidies, which they are guaranteed, and private theatres receive no subsidies. The difference in economic situation also creates differences in organizational structure. In most theatres, the theatre manager and most of the administrative and technical personnel are on the permanent staff, while the artistic personnel usually are contracted for specific productions. Most institutional theatres also have a varying number of actors on the permanent staff, with the intention of forming an ensemble. Due to budget cuts, and the general development towards more temporary employment which we discussed earlier, however, it has become increasingly rare for actors to become permanently employed, as little new recruitment has been made in the past decades. The average age in these ensembles, ensembles which have furthermore often shrunk considerably in size in later years, is therefore often comparatively high. Most actors within the ensembles will have

been with the theatre for a very long time. In independent groups, all artistic personnel including actors is typically temporarily employed, with the exception of the manager, who is also artistically responsible, often having the job title “Artistic leader” (sw. “Konstnärlig ledare”) rather than theatre manager. Although there is no permanent ensemble, however, in practice productions are often made with recurring actors, set designers and directors. In this sense, artistic personnel are not completely temporary. Moreover, due to scarce and uncertain funding, even those independent groups which have a permanent core will typically regularly find themselves veering on the brink of bankruptcy following any decline in audience numbers, or, even worse, not being granted subsidies. Public funding is given according to what is perceived as present artistic merit, and if this funding defaults one year, the company is often eradicated.

There is no established ranking of these three groups – working in a private theatre invariably pays best, but has the lowest artistic status. For some actors in the field, institutional theatre has the highest status, while some independent groups feel that the institutional theatres are artistically stifled and therefore not interesting. However, career-wise, the most common way is to move from self-financed independent group to either subsidised independent group or institutional theatre. Private theatres largely have their own labour market, primarily employing comedians and actors known from film and television, or, in some very rare cases, directors and actors who almost solely work in private theatres. Unlike Broadway or the West end, Swedish private theatre produces almost exclusively comedies (to the extent

of having created a genre of their own; “private theatre farce” and musicals. Although almost all private theatres are located in Stockholm and Gothenburg, their audience to a large extent comes from outside these cities, travelling to the theatre on arranged bus trips as part of a city weekend. Since their labour market is to a large degree separate from publically funded theatres, they and those that primarily work there are not included in this study.

If administrative and technical personnel are usually on the permanent staff, and actors occasionally find themselves in this group, directors by comparison are always freelancers. The focus of this study of the selection process involved when a freelancing director is chosen therefore reflects not so much a subsection of the market, but the whole market. The director is always chosen amongst freelancers; the actors may or may not be, depending on the theatre and the specific demands of that production. Directors are commonly engaged for one production at a time, although there are (rare) instances where large theatres employ a director for two or three productions in a row, typically one production per year for three subsequent years. More commonly, there may be talks of further productions, subject to the success of the first one, so that although the director in the end does one production per year for two or three years, this is clear only in hindsight. In general, however, one production is discussed at a time, with no promises of subsequent productions prior to opening night of the present one. A rare exception from this rule of temporary engagements may come about when the theatre manager is also a director – it may then be the case that

they as part of their contract regularly will direct in their own theatres, and thus in effect become part-time long-term employed as directors.

When it comes to higher education, there are no formal demands of training, and many directors held in high esteem have either no formal training at all, or have training in another artistic profession, for example acting or film directing. However, directors completely sans formal training in any artistic profession, who have learnt their skills solely on-the-job, are becoming increasingly rare, as The Stockholm Academy of Dramatic Arts, where theatre directors and actors are trained, has gained in importance over the past decades. Admission to the theatre direction programme is based on practical tests, and experience is in effect required to gain admission. The three year programme is quite small, admitting only three or four students every other year. Those who do enter, however, will rarely leave the school unemployed, as theatre managers usually keep a close eye on those that conclude the program in order to pick up new talent.

The Stockholm Academy of Dramatic Arts thus has a consecrating function, as admission and going through the very practice-oriented programme is seen as an industry stamp of approval on talent and skills. Critics, by comparison, are rarely able to fill this consecrating role, although there are some exceptions in the form of very established critics in leading newspapers. (Hoogland 2005b) This does not imply that critics are not read, but rather that they are not acknowledged as judges of taste. National newspapers do to some extent function as arenas for evaluation, but it is less the

critics' judgment than the debates that may take place in them that fill this role. So, for example, following an interactive and experimental production on the treatment of patients in the mental health services in fringe group Teater Giljotin in early 2011, there was a debate in national newspapers, radio and industry magazines on the artistic merits of the play, and whether this was a regrettable or laudable production. (see for example Berglund 2011; Heberlein 2011-02-17; Wennström 2011-02-07) The role of the critic will be discussed further in chapter 4, in the section on information and networks. A further formal arena for debate and discussion on what is good theatre, what directions theatre should take, and discussions of that sort is the biannual theatrical festival Teaterbiennalen. This four-day event is hosted by a different regional theatre every time, and attracts a large number of theatre workers. Apart from seminars, lectures, discussions and socialising, each time a jury also selects what are deemed the most interesting productions in the past two years, which are invited to take part. These performances are typically hugely popular, and offer an opportunity for smaller productions from rural areas to be seen by theatre managers and others in the industry from all over Sweden. Furthermore, final productions from higher education programmes in acting are invited, and thus the festival provides an opportunity for these newcomers to be seen and hopefully gain further work. The biennale thus plays an important role for networking and even as a labour market. Those that have most to gain from taking part are of course those from regional theatres, while leading theatres stand less to gain. Therefore, the established elite of Swedish theatre are often not present – rather, it is theatres, actors and directors from other parts of Swedish

theatre that take part. The Royal Dramatic Theatre, for example, has on several occasions during the past biennales been invited to take part with productions that have been selected by the festival jury, but tends to snub these invitations. Individuals from the theatre may attend, but whole productions do not. (Sauter 2007)

2.2.4 Empirical findings: The production process

To some extent, each production process is unique, as ideas may come from many directions, and a myriad of other decisions and influence from factors inside and outside the theatre have had an impact before it gets to the stage where it is decided that a certain play with certain creative personnel will open at a certain date on a certain stage. One manager even explained how the processes were so inextricable that it was not possible to account for them: “you can’t write an academic report on this, because like all creative work, it’s partly subconscious or unconscious processes” On a more positive note, another explained how

The interesting thing about theatre is that there so incredibly many ways of getting there, incredibly many way of reaching a decision, and there are so many parameters that go into the decision to make a production. And that makes the process of reaching that decision really interesting. Because if there only was one way, then it would be much easier to be a manager.

Overall speaking, a production may be seen as having two major components: the idea for the play, and the people involved. The process will thus begin with either of these: that is, either an idea for a play (which could as specific as a particular play, or more general as “something Russian” or “a musical” or “a play that addresses the issue of terrorism”) or people, most

likely a director, but sometimes a playwright, that seems interesting to work with.

Suggestions for these ideas of people and plays come either from directors, or from within the organization. While in theory, anyone within or outside a theatre may present an idea, and if it is good enough, a production will come of it – in practice, however, it seems the circle of those in a position to present ideas that actually come to fruition seems somewhat more limited. Freelancers other than directors, for example stage designers or actors, in reality have little chance of instigating a production. Within the theatre, ideas may come from the theatre manager him/herself, but just as often from other sources. Most theatres have an artistic council, usually consisting of creative personnel on the permanent staff, although freelancers may sometimes be included, often because the theatre is too small to have permanent artistic personnel. There, potential ideas and people are discussed, either more specific, or in general terms such as which themes the theatre should address. The scope and influence of the artistic council, and the ensemble, depends partly on tradition at that particular theatre, but more importantly on what the manager deems appropriate. Some theatres have a tradition of collective decision making, where the manager is expected to discuss each creative discussion prior to making it:

*And then I just decided, it was a situation where I had to make the decision quickly, so I decided that we would stage *Cat on a hot tin roof* with [Director X] and [Actor Y]. And then the ensemble protested, because they hadn't had time to discuss it, if we really should stage the play or not.*

"Is Cat on a hot tin roof really a play for [our theatre]?" and so on. "We haven't talked it over yet". So they felt brushed aside.

In other theatres, leadership is more autocratic, and the artistic council may not even be allowed to discuss specific plays and directors:

In the end, it quite clearly boils down to that as the manager, I decide on the repertoire, alone. And often, I don't really make sure to get the support, in the classical sense, of a council, for doing a certain play.

Larger theatres usually have a dramaturge, or a dramaturgic department, which continuously provide the manager with ideas for plays, and often also travel (as does the manager if time permits) to pick up on new plays in cities abroad, such as London or Copenhagen, or from other Swedish theatres. Publishing companies also provide the dramaturges with possible ideas for new plays. Actors may of course also have suggestions for plays or directors the theatre should work with – in practice, however, it is usually only a handful of very prominent actors (if any at all) that may have a position strong enough that it will be meaningful for them to present their ideas directly to the manager, especially if it is concerning a specific play rather than a director. Other actors may approach a director or dramaturge instead, who then in turn, if they like the idea, present it to the manager (casting that particular actor then being part of the idea presented):

Of course you could say "I'd love to do Hamlet", or...

To the director, and then they'd go to the manager?

Yes. That's the order of things, yes. Because ultimately, it's the manager who decides. And if he doesn't like the idea, it's not going to happen.

Thus, in practice, there are often three primary routes from which ideas come:

It's a mixture of suggestions from directors, ideas from [our dramaturge], or from me. Sometimes, things come from the publishers as well, or from actors who work here, but I would say that the bulk are those where I contact a director, and then we work out something together.

As can be seen from the above quote, ideas for productions just as often begin with people, rather than texts. Either directors that contact the manager to express an interest in working at the theatre, or, more commonly, a specific idea for a play that they think would be interesting to produce at that particular theatre. However, for the director to make such a suggestion, an established working relationship between the director and the manager is often presupposed, as can be seen from the following description by a director of how she approached a theatre with an idea for a production:

Where did you turn then?

To the places where I had been before. I've done it now in Uppsala, actually, but that's a finished play.

Had you been in contact with the playwright?

Well, I don't know the playwright, he's English, so I had bought a play in England, and read it, and thought that it was good, and gave it to the dramaturge in Uppsala. "I would like to do this play, what do you think?" and then I asked her to read it, and others, and then they liked the play, and then... Then it becomes possible to do it.

Had you worked in Uppsala before?

Mmh.

This process may also work in reverse, that is, that the dramaturge gives a play to a director with the suggestion that they read it, and, if they like the

idea, present it to the manager as a possible production. If the process begins with an idea for a person, rather than a text, this person will most often be the director. Unless it is one of those rare occasions where the manager decides to present a star actor in a particular play (for example a leading actor in Hamlet), the director is almost always the first creative personnel to be involved. Even if the idea for a particular production starts with a play, the director approached to direct it may well be one of those that the manager is already in talks with. Thus, even if the specificities of the process leading to the decision to have a certain director direct a certain text differ from production to production, and from theatre to theatre, it is not a case of “anything goes”. Although many roads are theoretically possible, in practice, there are routes that are more common than others, and in reality quite a limited number of people who are in a position to present ideas that are listened to, which we will discuss more fully in the analysis.

However, having a found a director and a play that seem interesting does not necessitate a production decision:

The difficult thing about my job, that is that I have to, in 98-99% of the cases, I have to say no to everyone who pitches ideas to me. [...] But it's really unfortunate, I would like to have a bigger theatre, you want to let more ideas come forward, you want to make more people happy.

For even if the manager likes the idea of the play and the director, there are invariably more good ideas than production resources. An idea must seem like not only interesting in general, but like the most interesting and tempt-

ing production to make right here right now, and there are artistic considerations concerning the repertoire as a whole to be made:

A repertoire is very much about balance, [...] it's about how this play maybe comments on that one, the audience may not be aware of it but it's very clear to me, because those who go there should be able to feel that there is some kind of dialogue between different productions, between different years, that there is some sort of discussion that you can relate to.

Additionally, there are practical considerations to be made, since the manager is not only artistically responsible, but also has to take other issues into consideration:

Apart from that, there are HR-aspects, financial aspects, political aspects, market aspects, and a lot of... technical and practical aspects. And all of that has to come together, and often, you decide on one production early, and then you add piece by piece. And often you've put together these pieces into a big structure, where a lot of things balance, and then you pull the string and hope that these pieces fit together. It's one idea about one project here, and another idea for another project there, and then you add more and more to them. And that's where things may fall by the side, sometimes you've come quite far with ideas, talk and people, and then: "Sorry, there wasn't space".

Thus, the decision to stage a specific production alters the conditions for other productions, and thus the repertoire decision is rather a string of smaller decisions, as one decision leads to another, one specific production decided upon putting other ideas into a different light. Not least of these considerations is that of the audience, which is considered the manager's responsibility rather than the director's. While few managers look expressively for crowd-pleasing cash cows, but rather for the most interesting ide-

as for their time, organization and audience, the audience does ultimately matter. Partly because no actor enjoys performing for an empty house, whereas a sold-out run is usually appreciated, but also because of the financial repercussions of not selling tickets. Directly, because of loss of income, but also indirectly, for subsidies are not given to produce plays no-one wants to see:

We're funded by subsidies to 75-90% at the institutional theatres. And that's tax payers' money

So financially, you'd get by without the audience?

Yes, but in the same moment that we don't have an audience, the politicians won't see any reason to continue subsidizing us in this way.

Since the manager ultimately holds the economic and artistic responsibility for the theatre, he or she has to maintain a high artistic standard at the same time as ensuring that the theatre is in financial balance and that the working conditions for the staff are reasonable. Therefore, a production ideally not only should be an artistic triumph, it should also attract a large audience, so as to contribute to the ever-insufficient funding. Very few theatres can bear a failed production without running into financial difficulties, sometimes even the brink of bankruptcy, if the production was comparatively large for the theatre. It should be noted, that artistic standards too, albeit indirectly, have economic consequences, as subsidies are granted to a large part based on artistic merit and development.

The complexity of the decision process (What play? What director? What stage? What actors? What costumes? What stage design? What audience?)

What budget?), and the many factors involved that should be taken into consideration makes the process difficult to predict and fathom, even for managers at the helm of the process. In theoretical terms, the decision process is maybe best described as being in accordance with garbage can decision theory (Cohen, March and Olsen 1972), streams of possibilities that come together in a window of opportunity, and then a production may happen – but it is difficult to forecast, and even to those that are in a position to decide (i.e. the managers), it may not be possible to determine exactly what should happen. The role of the decision maker here is thus rather to choose which decisions will take place, given that they have a window of opportunity, and having the power to influence the streams of possibilities (plays, budget, wooing or discarding those that might be involved). To reframe the situation in trust terms, even though the ingredients may be there, it requires a leap of faith before anything happens.

This process of choosing is thus often difficult to oversee, and the larger the theatre, the more complex the decision process becomes, as more factors are added in the shape of more productions and more stages: “I can tell you that it’s a very careful process, you work with is a lot, weighing pros and cons.” A manager of one of the larger theatres describes the danger of being afflicted by “manager’s malady”, that is, the risk of in the end not being able to make any decisions at all, losing faith in your own judgement, and doubting whether the production you are about to decide upon really is the best possible option:

It may come when you have very many, you have to decide on one thing, and for one reason or the other you can't come to a decision, but there also has to be the courage to wait for the decision. That's a balance, you can't make the decision too quickly either, then there's the risk that it was the wrong decision, and you have to close the production, but you can't wait too long either, that you're waiting for a ball you don't have, usually that's the problem too, you've got two balls, but "Well, maybe I third ball will come along, that's even better? Maybe it'll be... We'll wait!" And then there's the risks that these balls you've got in the air, they fall down, and then you end up with nothing.

Thus, being the all-powerful manager, who has the final word on every production, is not without difficulties, even if it of course creates great opportunity for the manager to give space for the kind of theatre they think should be produced, as another manager at a fringe group explains:

The advantage amongst these disadvantages is that there is a place where I can do whatever plays I feel like, almost. I can't do completely crazy things, because I have colleagues who I share this place with, I'm not some kind of dictator, but still, there's... [...] And that means I don't have to dream so much.

Once the decision is made for a particular director and a particular play, a negotiation ensues between director and manager as to the casting. The manager has actors in the ensemble that of course should be cast, whereas the director may want to cast freelancers that they either wish to work with, or have worked with before and want to continue working with. If the director is well-known, he or she may be able to help attract sought after freelance actors – on the other hand, these are expensive, and so these negotiations have to do both with how much money can be spent on the production, and who should be able to pick and choose the actors. The actors are

usually not directly involved in this process, although they may of course be aware that a production is being cast, and make it known to either director or manager that they would be interested in a certain part or a certain production. It is a sensitive business, though, for quite understandably, no actor likes to learn that the director agreed to cast them only as part of negotiations to get another actor they wanted for another part, or that they were second choice for a part. The director almost always gets to choose the set designer, and these collaborations will often last over longer periods of time. Thus, set designers are heavily dependent on directors for work.

Once the cast has been set and the date for the opening night has been decided, the responsibility for the production is shifted from manager to the director, with the help of the producer assigned to the production. When rehearsals begin, the manager has delegated the creative power and responsibility to the director. While the manager often may keep an eye on the production process, primarily with the help of the producer, who keeps the manager informed as to the progress of the production, it is extremely rare that the manager will take an active part in the production process at this stage. If he does, it will usually be because of a severe conflict in the cast or between cast and director. Towards the end of the rehearsal period, the manager may sit in on for example a dress rehearsal, if he or she has the time for it, and the director want him or her to come. Thus, the manager's role at this stage is primarily one of background support if necessary, a role which requires a fair share of tact so as to help rather than hamper the pro-

cess, without intruding on the director's turf, as an experienced actor, also having worked as director and manager, explains:

What's the role of the manager?

He comes to the dress rehearsal. As far as I understand, he usually only sees one dress rehearsal, and then he sneaks in sometimes. And then you can get "You can't bear what they're saying!" Then [director X] gets really mad. "That's not the only thing that is important!" Well, then the manager confronts the director, and says that you have to make sure they talk loud enough so the audience can bear, otherwise there's no point in you performing. That's what happened last time, with [Production Y]. And it still happens that [the manager] comes by and says "I can't bear what you're saying, and that's such a pity, because it's so good."

Towards the end of the rehearsal, production meetings become more frequent, as the director and actor coordinate their work with costumes, lighting, sound, and so on. The manager, on the other hand, usually stays out of this process, unless, as we said, major problems occur or the director wants him to come, until the final rehearsals and opening night.

To summarize the production process, it commonly begins with either an idea for a play or an idea for a director, which may come from the manager, dramaturges or directors, which, if they seem interesting developed into more distinct suggestions through discussions between managers and directors. From these different ideas, the manager then makes the decision which productions are to go ahead, after taking other practical matters such as personnel, marketing, other planned productions and so on into consideration in what may be seen as a garbage can model of decision making. Once the decision is made and rehearsals begin, the manager delegates their

creative responsibility to the director, and does usually not interfere unless asked to. The manager may see one of the final rehearsals, and then offer feedback to the director and cast, and generally keeps an eye from the distance on the production.

2.3 The market for management consulting

The man who makes an appearance in the business world, the man who creates personal interest, is the man who gets ahead. Be liked and you will never want.

Arthur Miller: Death of a Salesman

Management consulting is a widely studied field in organization studies, albeit under different guises: knowledge intensive work, professional service firms, management advisory services, as well as providing the empirical setting for studies of for example knowledge transfer, organizational change or lack thereof, and service innovation (for some examples see Coombs 2003; Empson 2001; Fincham 1999) This is not altogether surprising, as most middle-sized and large organizations today will use management consulting services in one form or the other, which makes such services an indispensable part of present day organizational life., and an increasingly important part of industrial economies, a development which began already in the 1980s. (Armbrüster 2006) This section does not aim to provide an overview of the resulting plethora of research, as this would most likely demand a rather voluminous book by itself, but rather to focus on the part of management consulting research which focuses on markets and interaction with clients.

In comparison to the previous overview on theatre, this chapter therefore paints less of a broad picture, and more of a focused view on the issues at hand in this specific study. This is partly because, as mentioned, a complete overview would not be purposeful, and partly because to a larger degree than in the theatre case, much research on management consulting uses it mainly as an empirical context in order to study some other aspect of business life, such as innovation or change, and thus is not relevant here. As a footnote, this might also mirror the position consulting services holds in organization studies: not as the exception, which has to be properly described and defined in order to distinguish its particularities, but rather as taken for granted normality – which paradoxically, as we shall see, to some extent seems to have led to a comparative dearth of succinct descriptions of the industry, and what characterizes its outputs and markets. To the extent that services, professional or otherwise, are contrasted to other markets, they are often compared to goods markets, based on the traditional assumption of a dichotomy between goods and services as was discussed briefly in the introduction. (see Karmarkar and Pitbladdo 1995 for an example) The section is structured in a similar fashion to the previous account for the market for theatre direction: starting off with a discussion on the characteristics of management consulting services, before moving on to consulting markets in general, a brief account of the Swedish consulting market, and finally the process of purchasing consulting services, as suggested from the empirical findings of this study and previous research.

2.3.1 Characteristics of management consulting

Management consulting is one of the “typical” professional services, on which typologies of characteristics and definitions of professional services are mainly based. While a universal definition of professional services seems to some extent to still be a matter of discussion, a fairly recent description defines them as characterised by high knowledge intensity, low capital intensity and low levels of professionalization (von Nordenflycht 2010), thereby succinctly summarizing much of earlier research on the topic. When it comes to the nature of the services on offer, this entails services that are at the extreme end of intangibility, which require prolonged specialised studies and/or training in abstract knowledge to perform. The opaque quality of the service, in combination with expertise often outside the technical knowledge of the client makes it difficult for the client to properly evaluate the abilities of the consultant and assess their behaviour. (Broschak 2004) Furthermore, they are complex, with a high level of heterogeneity and idiosyncrasy, and little standardization. (Tellefsen and Thomas 2005) Taken together, this leads to a large amount of client uncertainty, which in turn often makes the decision to go ahead with a certain project and choose a certain supplier difficult to make. (Amonini et al. 2010; Sturdy 1997) So much more so, as this uncertainty often begins with the question of whether consultants should be employed at all – maybe the problem can be solved in-house, with the resources already at hand? And if it cannot be solved in-house at present, but is a frequent problem, maybe the solution is to hire someone who could do it, rather than employ a consultant? (Armbrüster 2006) Therefore, consultants will not seldom find themselves in a situation where the buyer has to be convinced first to buy anything at all,

and if so, that it should be bought from them. In this sense, the position of the theatre director, as we saw previously, might seem more appealing, since all managers have to employ directors if they want to mount productions (which they do), but in other respects, differences may not be so vast after all.

It may be useful to take a moment and compare the list of characteristics of professional services as listed above, which may be found in similar versions in a number of articles about management consulting or professional services in general, it might be interesting to compare it to the list we had in the previous part of this chapter, as to the characteristics of creative industries, specifically the theatre. As a reminder, they were described as being denoted by the following qualities: the nobody knows property, the motley crew principle, infinite variety, time flies, A-list/B-list and art for art's sake.(Caves 2000; Haunschild 2003) It is interesting to note that of these six properties, four might be said to also be true of management consultants: here, too, nobody knows beforehand (and often even afterwards) if a project will turn out successful or not, the project group is a motley crew, consisting of consultants and employees from the client company, which may well have different professions (albeit perhaps not to the same extent as in theatre or film), infinite variety is just another way of putting high levels of divergence with little standardization, and like theatre productions, consulting projects usually have a set amount of time at their disposal before they are expected to be concluded and yearn results. The remaining two characteristics are linked: the idea of Art for art's sake is a requirement for the

creation of a field of artistic production (what the nature and consequences of such fields are will be discussed more extensively in Chapter 3, The macro level.), and this field in turn creates a hierarchy, which leads to there being A-lists and B-lists, in other words, a common standard after which market actors are measured and ranked. Taken the presence of the field aside, it seems to be the content rather than the conditions and characteristics of the service produced that distinguishes creative industries such as the theatre from a typical professional service such as management consulting. Professional services may be described as buying “the knowledge and creativity embodied in individual people” (Halinen 1997, p 265), which arguably is just as true for theatre directors as for consultants, although studies of the former are seen as studying labour markets, and studies of the latter as studying service markets, seeing the person or the product as the core of the market – arguably, they are indistinguishable in both.

If the characteristics and conditions of management consulting and other professional services are to a large degree similar to those in the arts, one glaring difference lies in how the industry is organised: theatre directors, as we have seen, are always freelance, while management consultants may be, but rarely are. The reason for this is likely in the manner that their work is organised – while consultants and directors alike work in motley crew projects of limited duration, there is never need for more than one director in a theatre production, but there may well be need for more than one consultant in a consulting project. Therefore, being part of a consulting company enables a consultant to take on a larger variety of projects of different sizes,

and also offer the clients the security that the project does not stand and fall with one consultant, others may do the job as well if need be. The tendency for consultants to work in groups rather than freelance (and even the freelancers are often part of consulting networks, which enable them to call on colleagues in order to take on larger projects) might thus be seen as an organizational consequence of how their work is organized. Similar patterns can be seen in other professional services, in that macro level factors on the level of the profession, in terms of for example the nature of knowledge and client-service provider interaction has a large impact on organizational forms and how teams are constructed. (Malhotra and Morris 2009)

Management consulting is rather a broad label, encompassing a wide range of services offered to organizations of different kinds, not all of which will be covered in this study. Given that knowledge-intensity is one of the key characteristics of the service, it seems not unreasonable make the type of knowledge provided the basis of a typology of management consulting – in essence, it might be argued that what consultants do is provide knowledge to their clients that these previously did not have, their role thus being that of bridges for knowledge transfer, as a means of solving problems. Now, this knowledge does not travel solely in one direction, since the consultant will also learn from working with a client, and then be able to take this experience and use it to the benefit of the next one, although not so explicitly that the first client is damaged by the transfer. (Armbrüster 2006) Broadly speaking, this knowledge may be divided into esoteric and technical knowledge, the former being specialized knowledge which is inaccessible to the

uninitiated, therefore difficult to assess, and depending on reputation for sales, which in turn takes time to accomplish. Technical knowledge, on the other hand, may well be complex, but it is open to anyone who is willing to take the time and effort to learn it, it is easier to specify, and may be proven by a certificate, for example. (Kitay and Wright 2003) Given an understanding of professional services as complex, knowledge-intensive work, many researchers regard primarily what is above termed esoteric knowledge as central to professional service firms, their output an intangible service encoded with complex knowledge, which is customized to each client. (Greenwood et al. 2005)

This nature of the service delivered also puts demands on the relationship between client and consultant, making trust essential if projects are going to be successful. Without trust, it is unlikely that the consultant will be able to produce the service to satisfactory results. Since consulting services are co-produced with the buyer, a high level of interdependency is usually required, and a relationship which encompasses a high level of trust, a high level of interaction, and continuous adaption from both sides as the consulting project evolves. (McGivern 1983) Of these facets, trust is essential, since without trust, the others are not likely to come about. This is evident already from the beginning of a project, for in order to secure a contract, a management consultant needs to be able to entice the trust of the client, to understand the client's needs, and convey this understanding as well as a convincing the client that you can provide the solution to the problem at hand, so as to appear trustworthy in your offer of service (Furusten and

Werr 2005; Sturdy 1997). Furthermore, the perceived quality of what is produced is likely to be dependent on the preliminary negotiations and resulting relational contract between consultant and client, and the perceived success of this interaction and reduction of ambiguity is likely to play an important part in the selection of a consultant (Clark 1995). All in all, the result is a high level of uncertainty in management services, as neither product nor outcome are certain or standardised, which makes the relationship between the consultant and the client the most important determinant for whether the service delivered will be perceived to be successful (Furusten 2003). Furthermore, depending on how strong this tie is, it will be more likely to hold even if things should not go according to plan and there be minor disappointments. As has been shown in previous research, the stronger this relational contract is, the more robust it will be to volatility (Carson, Madhok and Wu 2006).

Since both selling and delivering consulting services thus usually demands extensive interaction with the client, and solving internal problems, it is perhaps not altogether surprising that empirical evidence suggests that apart from technical expertise, described above in terms of esoteric and technical knowledge, consultants also need to master socio-political skills. (Armbrüster 2006) It might be argued that such skills are an intrinsic part of consulting services, required to only to sell the service, but also in order to go through with a consulting project in a successful manner. If we regard consulting services as discursively constructed, in the sense that they take place within a context of perceptions, identities, accounts and representations

present within an organization, it then follows that there is unlikely to be an unanimously accepted and undisputed view of the problem that the consultant is there to solve. Rather than an objective truth about the root of the problem, the consultant is likely to be met by the upshot of a conflict between competing voices within the client organization, which each claim to know what the problem *really* is, and likely make normative assertions as to what should be done, and who should be involved in the solution. The nature of consulting projects is thus often political, and the context and recommendations of a certain project may often represent the continuation of an ongoing process of co-operation, struggle and conflict between different organizational groups. Although this struggle may of course not always be as explicit as an open conflict, an important part of consulting nevertheless is trying to bring unity to discord, often by drawing on discursive resources, such as objectivity, independence (of the consultant's), skills in business and/or in strategy, and so on. In other words, try to make a convincing argument to why the suggested solution would indeed solve the problem. Organizational change and development, leadership and strategy issues, all areas in which consultants are likely to be involved, are also interlinked with or form part of the client organization's identity. Such an identity is, as we will see in chapter 3, is not fixed, but remains stable only as long as an interlocking network of implicit and explicit agreement which supports it holds together. This ongoing negotiation of meaning, which in turn shapes what is reasonable and desirable to do, does not stop just because a consulting contract is signed, but rather forms a continuous part of day-to-day consultancy practice. Therefore, socio-political and technical

skills cannot be separated, as both are needed both to convince the client of the suitability of the project, winning the contract to begin with, and furthermore during the whole process of making the project reach desired results. (Bloomfield and Danieli 1995) In order to navigate this landscape successfully, the help of an advocate on the inside is often needed, who can provide insight into the opposing forces within the client company, and help the consultant make more informed decisions. (Ulvila 2000) The socio-political aspect of consultancy also means that subpar performance at a client organization may also jeopardize relations with exchange partners at the client company for another reason, namely that bringing in a consultant who turns out to be unskilful will likely make the partner lose face internally, and embarrassment which will not only make others in the client companies indisposed towards continued collaboration, but is also likely to make the initial contact lose faith in the consultants. (Armbrüster 2006)

Given this nature of consulting projects, it is perhaps not surprising that client-consultant relationships perceived to be successful are usually also demarked by a high level of interdependency, with neither consultant nor client having the definite upper hand. If either side do, then the other is likely to feel intimidated, which, apart from making collaboration unpalatable and uncreative, also makes for an unwillingness to trust the counterpart with proprietary information, which in turn will likely make the project less successful as its participants base their actions on an information deficit. (McGivern 1983) However, striking this balance is not self-evident, as there are ample reasons to why either side may gain the upper hand: the

consultants, because they are on the advantageous side of an information asymmetry inherent in complex services (Nayyar 1990), and the clients, because they might be important and powerful in relation to the consultant, especially if they differ much in size – not only because of future business with that specific client, but also because of the advantageous word-of-mouth and reputation they might provide in case of a continued co-operation. (Malhotra and Morris 2009)

2.3.2 Consulting as a professional service market

Management consulting is part of a general global growth in professional services, which now roughly make up 23% of world trade. Professional services are also one of the primary sources of growth for national economies in developed as well as developing countries. (Amonini et al. 2010) Furthermore, this is not a novel development, but rather the result of a trend developing over the past 40 or so years, a development which may have several roots: in increased rate of organizational change, an increased division of labour and specialisation, and increased global competition, not only on goods markets, but also in services, which in turns requires efficient and continuous sources of knowledge transfer. The rise of professional services such as management consulting may also mirror more general developments in industrialised economies, such as the move from concrete production of goods to the production of increasingly abstract services, and a change of focus from internal issues of production to external issues of finding markets for products and services. In short, the rise of what is sometimes termed “the knowledge society”, which causes an increased de-

mand for tacit knowledge and speed, and a resulting increased reliance on trust and social networks in business transactions. (Armbrüster 2006)

Even though consulting is a widely studied subject, studies of how consulting markets work, and how management consultants and other professional services compete in the market is as of yet comparatively scarce. Management consulting is one of the “typical” professional services (together with accounting and law), and as such shares the marketing challenges that are common to professional services, in terms of for example short deadlines and limited knowledge and resources for market activities, especially in smaller firms such as the ones studied here. (Amonini et al. 2010) In common with other services, such as theatre direction, exchange and interaction between buyers and sellers on professional service markets is also often more complex than the simple transaction of exchanging goods for money that might be found on goods markets. Exchange on service markets is often divided into several stages, for example beginning with buyer and seller finding each other, then diagnosing the problem, deciding on a plan for how it should be solved, executing this plan, and finally providing support after the service has been performed. For most of this process, both buyer and seller will be involved, and reaching each step of the process in cooperation. Contracts and payment may also well be divided and negotiated along the way, as a diagnosis is made and an action plan decided upon to solve the problem. (Karmarkar and Pitbladdo 1995) There are generally speaking two alternatives to the nature of client-consultant interaction, with the consultant either as an outsider, clearly operating outside the client or-

ganization, employed on short-term fixtures to provide a set method, but without much involvement in the implementation and follow-up of the suggested solution, or as an insider, working in a long-term relationship with the client, creating complex ties and strong personal bonds, it would seem that there has over the years been a shift towards the latter. (Armbrüster 2006; Kitay and Wright 2003) Many consultants are unwilling to provide what would seem a “quick fix”, knowing from experience that it is unlikely to solve the problem and make the client happy, and the clients have come to expect not just advice, but also help with implementing that advice. Furthermore, long-term relationships serve to reduce uncertainty, for the client because it makes the consultant a known quantity, and for the consultant, since previous work within the client organization will facilitate a good grasp of the organization and its problems, and thereby also how they should be solved. (Kitay and Wright 2003) Thus, moving along a scale with discrete transactions, one-off projects with little personal involvement at one end, towards the other extreme of a relational exchange, based on a close, collaborative and complex relationship between client and consultant, is likely to lead to more informal relationship, where collaboration is facilitated by shared behavioural norms rather than strict contractual agreement, which in itself creates commitment towards future projects. (Tellefsen and Thomas 2005)

However, there is the risk that such a presumptively advantageous relationship turns sour, if the closeness leads to the impression of the consultant becoming submerged with the client, since the value of a consultant to a

nonnegligible extent relies on the consultant being perceived as contributing with novel knowledge, and an outsider's view of the problems at hand. (Kittay and Wright 2003) If boundaries become too blurred, then both client and consultant risk inertia and stagnation. (Karantinou and Hogg 2001) On average, two thirds of revenues come from existing, presumably satisfied customer, rather than new business, and the repeat customer may therefore be regarded as the bread-and-butter of consulting services (Armbrüster 2006; Ulvila 2000)

It should also be noted that a relationship between individuals does not equal the relationship between their organizations, and that client-consultant relationships are often interindividual rather than interorganizational, which makes the relationship very vulnerable to staff changes on either side. An interorganizational relationship, which has more than one personal bond, is often more resilient. (Karantinou and Hogg 2001; Tellefsen and Thomas 2005) Interorganizational relationships are embedded in ongoing social relations between individuals. Creating and maintaining relationships to exchange partners comes at a cost in terms of time and effort for the individual, since it requires investments in terms of developing relationship specific skills (for example learning how to conduct business with that organization), learning how to communicate efficiently (for example how and when to share private, tacit and proprietary information), attain technical knowledge on the partner organization's products and processes, and understanding their capabilities and needs and developing personal relations with exchange partners, thereby building trust, creating an informal obliga-

tion to work together, and facilitating the development of common norms as to appropriate exchange behaviour. Eliciting the trust of a client is thus in practice rarely a matter of passively waiting for the client to form an opinion of you as trustworthy, but rather something consultants are actively pursuing, seeking to evoke trust by for example taking the perspective of the client, finding out what threats are perceived by the client, and acting in a manner to reduce these (for example by showing benevolent understanding), and by reflecting on how the client perceives the situation.(Williams 2007) Thus, a favourable impression of a consultant by a client is more often than not the result of the conscious effort of the consultant, and the result of skill and experience in creating strong relationships. (Clark and Salaman 1998)

Without these investments by individual employees on either side, the organization's exchange relationships with other organizations are unlikely to be sustained. Considering the effort demanded to sustain relationships, it is perhaps not surprising that long-term exchange partners are often chosen carefully – however, such a relationship also comes with advantages, since they generate trust, reduce uncertainty, facilitate knowledge transfer, minimize opportunistic behaviour and increase mutual understanding. In other words, exchange within a strong relationship usually comes easier and is more efficient than exchange with a stranger, which explains our general propensity to prefer dealing with those we know and trust. (Broschak 2004)

As a consequence of this dependency on individuals, exchange relationships between organizations are often weakened by the exit of exchange members (in this case, typically the managers involved in the relationship), because then the tacit relation-specific human and social capital, developed through interaction, and critical to smooth transactions and the continuity of the relationship is lost. (Seabright, Levinthal and Fichman 1992) Thus, the mobility of managers in boundary spanning roles often has an adverse effect on their organizations' market ties.(Broschak 2004)

As a market, management consulting has comparatively low barriers to entry, and even though the market is large and growing, there is no shortage of consulting firms, and thus competition is often fierce, with high entry rates, but also high rates of failure. To a large extent, the consulting market is thus a buyer's market. (Armbrüster 2006) Hence, there is a need for consulting firms to differentiate themselves from each other, and try and reach an appropriate positioning in the market, so as to make themselves visible and attractive to potential clients, as indeed is the case on most markets. It has been suggested that the positioning of professional services may be seen as consisting of on the one hand market positioning, controlled by the firm itself and involving a variety of activities with the explicit aim to create a certain position, and on the other psychological positioning, which has to do more with the customer's perception of who you are. (DiMingo 1988) We will continue this discussion in chapter 3, The macro level, suffice here to say that this latter type positioning may be made more difficult to achieve in this context than on goods markets, because it is difficult to

communicate exactly what the service on offer is, so much more so as it will usually be custom-made and thus to some extent new to each client and project.(Amonini et al. 2010) Furthermore, a comparative absence of clearly defined markets, and legally and culturally agreed standards of professional skills and training, which may be found on other professional service markets, such as for example law and accounting, means that there is limited access to system trust.(Malhotra and Morris 2009) The necessary trust must therefore largely be generated on an interpersonal level, as neither price nor institutions give enough information about the service on offer to provide sufficient uncertainty reduction to enable trust. Obviously, the problem of finding a basis for trust is somehow solved, since the high level of relational risk (stemming from intangibility and interdependency, for example) and low system trust evidently does not stop demand for consulting services from growing. (Armbrüster 2006)

Since the service on offer is often complex and unique for each project, and furthermore difficult to evaluate both before and after consumption, bringing your service to market requires different strategies than are open to sellers of for example books or travels, where the market is more transparent, and it is easier for buyers to compare and contrast different offers. In the introduction, the idea of service-dominant logic was introduced, which proposes that the element of co-creation is vital in all products, but especially so in services. It is thus not a case of the seller furnishing a finished service, giving the buyer the choice of take it or leave it, but rather than the service, once bought, is created by the seller in collaboration with the buyer.

The implication of this is that management consultants and other professional services providers will compete with customization and sophistication in client-consultant interaction, as much as with the content of the service per se. (Day 2006) A further implication is that competition is rarely based on price alone, as it might be on more homogenous markets, but rather on content, or rather, how this is perceived, based on trust, reputation and word-of-mouth effects. (Armbrüster 2006)

The sought after differentiation from other consultants may be achieved in four different ways (or, more likely, through a mixture of the following four dimensions): relationships, service quality, value for money (i.e. e price) and finally brand, or reputation, which taken together reduce the uncertainty of the customer and leads to a positive word-of-mouth doing the rounds, if done successfully (Amonini et al. 2010). Of these four dimensions, relations, as one might perhaps expect given the co-creative nature of these services, seems to be the most important, and it seems more firms compete on this basis than on the others. (Day 2006) Apart from the collaborative aspect, relations also become important because professional services are people-intensive, which gives plenty of opportunity for interaction, and because the intangibility of the service creates uncertainty on behalf of the client, which may be ameliorated by a strong relationship where one knows the other. These relationships are created and maintained in a number of ways – through developing interpersonal relationships between the consulting and the client company, taking advantage of for example working and meeting on the client's premises, and taking care so as to adjust teams when

possible so as to fit the client. Such relationships may also be developed and maintained through outside-work-activities of a more social nature, and through frequent informal interaction, which establishes good rapport. More formal methods such as providing clients with a newsletter regularly, in between projects, or inviting former and present client to annual functions and other events. Networking may also be achieved at conferences and other industry events, such as award ceremonies for Best HR-director of the year, The E-learning Awards, and so on, or being a speaker at industry fairs. Databases and similar tools seem to be used comparatively little, apart from creating lists of clients whom to send invitations to different events and newsletters to. As could be expected, the most significant marketing techniques for management consultants are all to some extent relationship-based: using personal contacts to provide opportunities for making sales pitches and gaining information about upcoming solicitations for consulting services, taking part in consulting networks (formal or informal) as a way of getting referrals from other consultants, and finally subcontracting arrangements with other consultants, which enables even freelance consultants to take on larger projects. (Ulvila 2000) Consultants are often dependent on word-of-mouth as their primary method of finding new work - not to the extent of Chinese whispers, but rather in the form of referrals of contented customers or consulting colleagues. Such third-party referrals from consulting colleagues who are trusted by their clients may of course be an effective way of gaining new clients, but similarly to when promoted by an internal advocate, such projects are especially damaging to fail, as it means losing not only the confidence of the new client, but also of the per-

son who recommended you.(Kim 2009) In other words, successful projects, in the sense that they leave the client satisfied with what they have received relative what it cost them, are essential to consultants who want to stay in business, not only because they lead to repeat business with that same client, but also because it leads to positive word-of-mouth, and hence future business with other client organizations. (Karmarkar and Pitbladdo 1995) Ideally, relationships with clients thus develop so that new customers become regular clients, regular client's strong supporters of the company and its services, who show their support by becoming active and vocal advocates of the consulting company, which in turn generates positive word-of-mouth. Not that such a development is easy to attain, of course. (Karaninou and Hogg 2001)

To some extent, speaking of brands an entity separate from reputation, relationships and value for money is misleading, for it may also be seen as a result of the other three – brand equals reputation, and strong relationships, good quality and good value for money is likely to create a good reputation, which in turn attracts clients, allows for business growth through referrals to new clients, and prevent negative word of mouth (which is important not least for consulting companies acting on smaller regional or national markets). Reputations are therefore important, because they serve as proxy for capabilities, quality, value for money, and other criteria which are difficult to evaluate prior to a project, and thereby clear up some of the opacity which results from the knowledge-intensity of the service (Amonini et al. 2010; von Nordenflycht 2010). Larger consulting companies, not least the

global giants, are often able to create a widely-known reputation, known outside the circle of those who have worked with them and their connections, and thus are able to signal quality through their brand, their size, and by the top business school graduates that they are able to attract thanks to these assets.(Armbrüster 2006) However, this signal of quality often comes at a cost to clients, as it enables the companies to charge a premium for the “social proof” provided by the established reputation of their brand name, which in turn opens up for business for smaller companies who lack a strong brand name, but who also do not charge a premium. (Greenwood et al. 2005)

So, if professional service markets are fraught with uncertainty, caused by the complexity and unpredictability of the service on offer, partly as a result of the high levels of interdependence and interaction between client and, in this case, consultant, then differentiation from other consultants will only prove part of the solution to client uncertainty - as will be discussed more fully in chapter 3, when looking at the macro level, it is not enough to show that you are different, you also need to convey that you are right. Furthermore, even that difference needs to be conveyed somehow. Thus, in consulting as in the theatre, there arises the need for a system with which to convey information. However, the actors on the consulting market do not have access to reviews in newspapers to keep updated or the same kind of tightly spun information networks that we found in the theatre, as a result of the “everyone-is-a-freelancer-looking-for-next-project”-labour market that we found there. Larger consulting companies may well have a public

reputation, but this is rarely insights only known to those in the industry, but very public knowledge that just about anyone who opens a newspaper may pick up on. Hence, the information conveyed by such a reputation is not likely to be exhaustive, or even necessarily trustworthy – especially as it is likely to a large degree orchestrated by the organization itself, as part of their marketing strategy. Instead, clients (and consultants who want to keep informed about former and future clients) turn to those that they know personally for information, that is, either to their own experience of working with a particular partner, or what a trusted friend or business contact will tell you from their personal experience. (Armbrüster 2006; Glückler and Armbrüster 2003) Only rarely will pieces of information travel beyond that direct link, as there does not seem to be the same interest and curiosity in the consulting business as in the theatre as to what other people and other organization will be doing or have been doing, as we will see in chapter 4, when the macro level of market interaction will be discussed more fully. A further consequence of this comparatively restricted information network, or perhaps rather network of referrals, is that it provides a barrier to entry, which although the market has low formal barriers to entry, effectively excludes newcomers. As a consequence, we find that even if a consulting company is new on the market, its' employees are probably not, and will already have an established network, and so the first contract often comes before entering the market. Since management consulting is thus very much a socially and culturally contextualised business, the manner in which market interaction comes about in effect provides a catch 22 for newcomers, who have to establish themselves on the market in some other

position, either as junior consultants, or on the client side, before they can become market actors on the seller side. (Armbrüster 2006)

2.3.3 Management consulting in Sweden

After a few rocky years due to the financial crisis, the Swedish consulting industry now looks forward with guarded enthusiasm to increased revenues and more commissions in the coming years, and the 145 000 people already employed in consulting companies can thus presumably look forward to more rather than less people joining their ranks over the next few years. (Karström 2012) Although the fairly optimistic prognosis cited above come from sources closely connected to the consulting industry, and thus can be suspected of blowing their own trumpet, these sentiments are echoed in research and indeed amply supported by empirical evidence (Armbrüster 2006; Furusten and Werr 2005). The Swedish consulting industry has indeed seen a great increase over the past decades. While the industry is highly sensitive on changes in the business cycle, it seems that the demand for consulting services never shrinks to nil, and the overall positive development mirrors that of the global market for professional services, as was discussed above. The content in this section, unless specified otherwise, stems from the interviews made for this study.

The consulting industry is a wide one, providing everything from technical expertise to recruitment services, and the consulting companies ranging from global giants to one person companies. It seems reasonable to assume that the strategies for building trust between consultant and client organization will vary greatly between different parts of the industry, and that it

would be futile to try and paint a common picture of the field. Therefore, I have chosen to concentrate this study on a smaller part of the consulting industry: namely, that of small consultants who work with organizational change and development, for example by providing training in leadership or sales, or by staging a change project. Such small consulting companies constitute the exception on a market dominated by large, global players in terms of total number of employees, but the norm in terms of the average size of consulting companies in Sweden. (Darin 2009) If consulting services in general may be divided into those that sell expertise (We help you solve problem X), proprietary methods (We'll help you by using method X), a service-and-product-package (We'll design and help you to use system X) and cheap, flexible labour (We'll help you overcome this temporary increase in workload), then it is the sellers of expertise that we focus on here, since it is also the most uncertain, idiosyncratic and unpredictable of these. (Ulvila 2000) While such distinctions are rarely absolute, and many consulting companies may combine these services, depending on the needs of the client, the distinction nevertheless provides a pointer towards the main type of service focused on here, and how it differs from other parts of the consulting industry. (Armbrüster 2006)

There are several reasons for this choice: firstly, their working conditions are not dissimilar to those of the theatre director. The consultant forms an agreement with a representative of the client organization (most commonly the CEO or the HR manager) to provide a service for the company in question, and in the cases studied here, each project is to a large degree tailored

to the client's needs. It is also an area where, although there are of course major international consulting companies present on the market as well, it would seem that many clients prefer smaller consulting companies, with an approximate size of 1-20 employees. Furthermore, in such small companies, virtually all consultants are also involved in sales, and the decision to be part of an organization rather than freelance has more to do with flexibility in terms of the size of project that can be undertaken, as was discussed above, than with any other differences in client-consultant interaction. In many respects, these consulting companies are stabilized networks of freelancers, rather than set organizations in any bureaucratic sense of the word. It is also not uncommon for individual consultants to shift between being freelancers, and being part of a small consulting company, or even starting their own small consulting companies. Their customers are often more tied to them as a person, and will move with them if they change employers, rather than to their consulting company, which also makes them differ from larger, international companies. This is an effect of the impact firm size has on the nature of the client-consultants relationship. The smaller the consulting company, the more visible the individual consultant becomes, partly because the projects are smaller. Reputation relies on individuals, rather than on the brand of the consulting company, and projects are often decided upon contingently – the relation could potentially end with each project, and it is up to the consultants involved in each project to build on that to sell further services. Therefore, each consultant is responsible for bringing in their own projects, and so all senior consultants are in sales (and often, all consultants will be senior). Often, these smaller consul-

tancies are slimmed down in other respects as well, with little or no back office personnel, and so there are no employees who are not working full time as consultants. (Ulvila 2000)

As in the rest of the world, the Swedish market for consulting services has low entrance costs, from which follows that it is difficult to decide from a glance whether a consultant is competent or not, although there have been attempts from the industry itself to provide certificates so as to assure a certain level of quality and legitimacy (see for example Swedish Association of Management Consultants or Utbildningsföretagens förening), but it is questionable whether these certificates by themselves are enough to ascertain competence, especially as these association are often shunned by more successful consultants, as doing without them seems to be seen as a signal of strength. The industry itself has thus shown itself to quite resilient to attempts of regulation and standardisation in this respect (Alexius 2007; Furusten 2003). This is not to say that it is a market without norms for buyer and seller behaviour though, and like in the theatre, there is a reasonably set way in which a consulting project happens. That there is a certain isomorphic pressure in the industry, albeit not the extent as to uphold jurisdictional control of the profession or attach any vital consecrating power to Same and similar organization, can be seen in the names that small consulting companies of the kind studied here have. To begin with, they almost always have a name – even if the company consists of a single self-employed consultant with no intention of ever growing, it is likely to have a name, and a homepage. Often, it is not self-evident from the homepage

that the company in fact consists of one person, unless one takes a look at the section entitled “Who are we?” or something similar, and realises the company is smaller than it may seem. The name is also rarely random – most small consulting companies have a single word name, usually an English word connected to what the company specialises in – for example sales training, organizational change and development or management advisory services – to which a latin-sounding ending is then added. The result is a plethora of companies with names such as Advantus, Aventus, Askus, Consultus, Advantum, and so on, to the extent that it would seem that one can find companies by making up a name following this pattern, type it into google, and a consulting company will appear. Another strategy, although a little less common, is to choose a name that describes in so many words what the company is. Such a name will often be in Swedish, for example Organisationspsykologerna (The organization psychologists) or Organisationsutvecklarna (The organization developers). Note that this pattern also seems fairly rigid, in terms of form. Of course, not all small consulting companies adhere to this rule, but many do, and most will also have homepages which are quite similar, with similar sections. Thus, it would appear that in Sweden at least, there is a certain isomorphic pressure on how a consulting company chooses to appear to the market, which is strikingly dissimilar to the theatre, where almost no-one has a homepage and no freelancers make up brand names for themselves. The level of homogeneity in these aspects also shows the need for uncertainty reduction, as most consultants obviously do what they can to create an outer appearance which signals quality and professionalism.

It was already mentioned that in these smaller consulting companies, all consultants are in sales, and judging from the companies studied here, there seems to be a similar pattern of homogeneity when it comes to choosing employees for these companies. Thus, the employees in the interviewed companies consisted almost exclusively of graduates in engineering, business administration and psychology (the latter being the minority, and often in consulting companies with a focus on organization psychology), aged 35 and older, who had spent their first years after graduation working on the client side, before becoming consultants. Often, they described this experience as invaluable, not only because of the skills that it provided, which was invaluable in understanding the problems and working conditions for clients from those industries, but also because it gave them legitimacy not only in the eyes of the managers on the client's side that were buying their services, but also in the eyes of the other co-workers within the client company, who would be part of the consulting project, a sense of "he knows what he's talking about, because he's been there himself". A similar pattern in background may be seen in the larger, international consulting companies not included in this study, which almost exclusively hire graduates in engineering and business administration, preferably top students from a small number of elite schools, the main difference being that due to their size, and the size of the projects they take on, they hire people with little or no previous work experience, and then employ an up-or-out policy to weed out those suitable to become senior consultants among them. Up-or-out policies were absent in the consultancies studied here, there would be a CEO if the company was not minute, but otherwise, all consultants held an

equal position. Like in the theatre, career development was attained not by gaining a better title and work description, but by gaining more interesting and prestigious projects and clients, or by shifting employment to a larger or smaller consulting company, or by becoming a freelancer.

2.3.4 Empirical findings: The consulting project

One way of describing what a consulting project is really *about*, is to see it as the art of meeting and managing expectations – at least from the consultant’s perspective. As was discussed above, especially in the case of smaller companies, such as the ones studied here, consulting companies are to a large degree on their projects being perceived as successful by their clients, if they are to get the repeat customers and positive word-of-mouth which generates future business. How to have happy customers, then? Well, simply deliver quality service on time and within budget, and you will be all set. Unfortunately, this is not as easy in practice, partly because of the socio-political aspects of consulting we discussed earlier, and also because there is rarely an unanimous evaluation and verdict on any consulting project. (Pemer 2008)

Like in the theatre, a consulting project may begin in many different way – usually, however, the first impulse comes from the client. Most HR-departments will buy a variety of consulting services, usually as part of a larger HR-strategy to provide in-house training programmes, increase sales focus in the organization, and so forth. In many cases, there seems to be some standard services that were bought, for example leadership training that all middle managers in the organization will go through, and then occasionally one-off projects of a more strategic nature, for example to solve a

problem that has arisen (examples of this would be a newly-appointed HR-director of a large building company, who wanted a coach to improve his leadership skills, or employing a consulting company to do a revision of how HR-work was structured in the company). Once the problem has been identified, the decision remains whether it would merit the cost of employing a consultant or not. If it is decided that consulting services should be bought, the first step to find one would usually be to go through a mental list of previous contacts, possibly with the addition of a cold caller who has happened to call at exactly the right time. All interviewed managers on the client's side considered themselves swamped with offers from consultants offering their services, which seems to almost always get ignored, because it would take far too much time to meet these consultants, and learn more of what they had to offer. Only very occasionally do the managers pick up on such an attempt to make contact, have a meeting, after which it may well take six months or more before the contact is renewed, and possibly eventually leads to a project.

In general, the process from initial contact to the beginning of an actual project is long, even if that first contact has come through recommendation from colleagues or other consultants (which seems a more common way to find new consultants than to answer cold calling), usually a primary meeting with someone from the HR-department, where the consultants will present themselves and what they have on offer, if this goes well, and the HR-director decides to support the consultants, then another meeting, this time including the CEO and other significant members of top management. During this part of the process, which may well stretch out to three or four

meetings, a proposal is developed, possibly in competition with other consulting companies – then there might be yet another delay, before a company is chosen and their proposal accepted. Thus, new business generally seems quite slow to come to fruition, and it also appears that in these initial meetings, each meeting has to be successful and win the trust of those present, otherwise, the client is liable to get cold feet and either delay the project or choose someone else.

The purchasing process of repeat business, by comparison, seems to be much quicker, which would imply that the main point of the long initial phase in new relationships is to get to know the other, and less to work out all the minute details of the project. Having said that, several consultants stressed the importance of clear communication with the client, and making sure that the client's expectations of the outcome of the project were aligned with their own. While contracts are usually more extensive in consulting than they are in the theatre, they are nevertheless not exhaustive by any means, often having the form of an accepted proposal, rather than a separately written contract. The proposal, usually the result of preliminary meetings and talks in order to form a mutual understanding, will typically include a statement of the goal of the project, what tasks will be required by the consultant and the client to achieve this, a timetable for the project, who will be working with it, and a budget. In short, an effort to make an honest yet appealing representation of the project. Only rarely will any sanctions be specified as to what will happen if any party breaks the agreement, and so the contract forms a basis for trust not by providing punishment for untrustworthy behaviour, but by ascertaining a mutual under-

standing of the goal and form of the project. Once the proposal has been accepted and the project is on its way, this mutual understanding needs to be upheld, that is, by notifying the client of any changes of plan, and discussing what should be done instead. If a good and open communication is obtained throughout, then chances increase that it will end in increased trust and mutual satisfaction. (Ulvila 2000)

Given that smaller consulting companies usually do not have long term contracts with their clients, the end of a project is also the time to try and find a new way of being of assistance, either at once or in the future. Also, projects provide an opportunity to strengthen the ties to the client company, if possible forming relationships with more than one individual, thereby attaining a stronger and less vulnerable relationship. (Ulvila 2000) Thus, performance and relationship building during the project will likely not only have effects on the outcome of that project, but also for the continuing relationship with the client company. Most clients had some kind of evaluation process following a finished project, be it formal or informal, and thus arrived at a decision of whether they would like to continue working together or not. The interviewed consultants usually sought longer projects, and if the service they offered was for example leadership training, then the service was usually bought on a yearly basis, and then re-evaluated each year, to decide whether the collaboration should continue or not. If the consultant offered services of a more one-off nature, then they might either suggest follow up projects straight away, or, if no opportunity for this presented itself but the project had been to mutual satisfaction, keep in touch with the exchange partner, meeting over coffee or lunch to update every

once in a while. Some consultants also arranged breakfast seminars and similar activities for their former and present clients, as a way of staying in touch. Keeping their network updated in this manner was something both exchange partners valued, as the HR-manager would find it convenient to have a list of consultants for different types of projects ready, thus being able to quickly find the right consultant if a problem presented itself, while the consultants would consider networking their primary marketing activity. Although cold calling very rarely seems to lead to work, many consultants thought that this was something they ought to do more of, although most would regard it with a guilty conscience, as something they thought they ought to do, but rarely got around to. Clients, on the other hand, rarely felt guilty for not making contact to more consultants.

2.4 Research design

Previously in this chapter, the reasons for the choice of management consultants and theatre directors for this study, their differences and their similarities, have been discussed at some length, as has the empirical focus and delimitations in the study of these two markets, so that the reader hopefully by now has a reasonably clear view of *what* has been studied, and *why*. It now remains to take a look at the *how* of the empirical study, which is the purpose of this concluding part of the chapter, before we turn to the theoretical base for the study in chapter 3.

This study has an hermeneutically inspired approach (Alvesson and Sköldb-berg 2000; Breeman 2006) and comprises of two interview studies, one of management consultants, and one of theatre directors. In the study of the

market for theatre direction, participant observation at an industry event (The Swedish Theatre Biennale) and transcripts of social media used by theatre workers have also been included. The approach is thus qualitative, and the aim to form an understanding of the agents' subjective understanding of the field and their position in it. Given the nature of trust as proposed in this study, qualitative methods have also shown to be fruitful as a manner in which to capture the individuals subjective perspectives and processes of sensemaking. (Möllering 2006 p 141) If we assume the existence of fields in Bourdieu's sense, in depth interviews has also in earlier studies been shown to be a fruitful way in which to understand the implications of the field mechanisms for the agent inhabiting the field (Bourdieu 1999). The interviewees were chosen so as to reflect the studied field, although with a focus on the dyadic exchange relationship studied, between buyer and sellers on professional service markets. The sampling was based on organizations rather than individuals, and thus only very rarely (i.e. e large, prestigious theatres) two interviewees employed at the same organization were chosen. The choice of interviewees was based primarily on their position in the market, or, in the theatre case, the field, but to some extent, snowballing was used to find and access participants, particularly in the theatre case. Of the individuals approached for an interview, two in the theatre case and one in the consulting case declined, otherwise all that were selected also became part of the study, which to some extent counteracts the risk of bias in terms of some categories of people in the industry being more willing to be interviewed than others. (Lyon 2012) The interviews could be described as unstructured or ethnographic (Fontana and Frey

2000), in that they were open ended, and that no set structure was followed. However, the interviewer took care as to ascertain that the intended areas were covered in each interview. These areas include the personal background of the interviewee and how this influenced their current job, how a consultant/client relationship is instigated, successful and unsuccessful instances of trust formation, differences between long-time and short-time relationships, how projects are evaluated afterwards and what kind of mistakes are unforgivable. The interviews lasted between 44 minutes and 1 hour and 23 minutes, with an average of 65 minutes, they were digitally recorded and later transcribed and analysed. All interviews were made in Swedish, and the quotes given in the thesis have been translated by the author. The interviews took place between 2006 and 2010. This comparatively long time span, apart from being part of the explanation for why so few of those approached declined, as it was possible to choose a time that would suit them, also allowed time to understand more about the industry, and thus choose carefully so as to try and reflect all aspects relevant for the research question (such as different positions and subdivisions within the markets). In some instances, an interviewee was interviewed more than once – either because of time restraints, which meant that the intended areas of inquiry could not be covered at the first interview, or because it gave the opportunity to follow up on projects and relationships described in the first interview, to capture how these had evolved. The answers given by the interviewees, especially if they seemed surprising or non-representatives, were cross-checked in later interviews, asking the same questions, or asking for their opinion as to whether they would agree with the previous state-

ment, with the purpose of increasing validity and letting the empiric results inspire the direction of research. In total, three interviewees were also interviewed more than once, two in the theatre market, and one in the management consulting market.

In the theatre, since the decision to mount a play commonly begins with the choice of director, who then will decide on the play, the actors and the set designer together with the theatre manager, the study focused on the relationship between directors and managers, and thus these two categories provided the bulk of the interviewees. The market for theatre direction is located on a field, which has the consequence that other actors, albeit not part of the market for theatre direction, will still have significant impact and insight into the structure of the market. Therefore, some interviews were also made with other field actors, such as actors, critics and teachers at the Stockholm Academy of Dramatic Arts (which houses Sweden's only training programme for theatre directors). Care was also taken that the interviewees should be placed in different parts of the field. Thus, the theatre study comprises both managers at the most prestigious theatres, and those at small avant-garde companies or regional theatres. The focus, however, has been on the part of the field which is most rich in the field's own capital, and less on the more heteronomous end. As a result of the career paths in the theatre industry, many of the interviewees, including almost all theatre managers, had also had other professions, for example directors or actors, before getting their current position. In some cases the managers were still working part time as freelance directors. This is a consequence of the

need in theatre to have artistic experience of your own to gain any legitimacy as a manager, a phenomenon which may also be seen in other fields of artistic and academic production. In selecting the interviewees, care was taken to so as to interview both experienced artists and those who were new to the field, and those working at the most prestigious theatres as well as those working primarily at smaller venues. The interviewees were selected from different part of Sweden, although the majority work in the larger cities of Stockholm, Gothenburg and Malmoe, reflecting the comparatively larger number of theatres in these cities. In addition, participant observations were made at the Swedish Theatre Biennale in Örebro in May 2007 and in Borås in May 2009. The biennale is one of the main industry events in Swedish theatre, and functions both as a showcase for the actors and directors whose productions have been selected, and a social gathering and networking opportunity. The event is formally open to the public, but considered an inside affair for the industry itself, on thus not marketed towards a wider audience. In practice, very few if any of those that take part are not part of the theatre industry. (Sauter 2007) In total, 26 respondents were interviewed, of which six did not at the time of the interview work primarily as directors or managers. Of these six, two were actors, one a dramaturge, one ensemble manager, one a leading critic and one a teacher at the Royal Academy of Dramatic Arts. Of the remaining twenty, thirteen were employed as managers at the time of the interview. As was stated earlier, many of them had previously worked as directors, and some of the interviewed directors had previously worked as managers.

In management consulting, the interviewees were chosen amongst consultants, and their exchange partners at client firms. Since this market does not constitute a field, actors not part of the market were not included. The interviewed consultants were employed at small, Swedish consulting companies, with between 1 and 30 employees, who focused on HR- or strategy services, and whose offer to their clients focused on changing behaviours in the client companies, and who to a high degree adapted their services to suit the individual needs of each client. Consultants offering standardised courses in, say sales or presentation techniques were omitted from the study. The interviewed consultants can be described as working according to the doctor-patient-model, if we follow Schein's (1969) taxonomy, where the consultant is brought in to both diagnose and remedy the organization's problem. In this type of consulting, uncertainty and risk in terms of irreversibility and difficulties to predict the results or isolate effects, as was discussed above, are especially pronounced. Since the aim was to focus on interpersonal trust formation between consultants and clients, smaller consultant companies were chosen, where, as we earlier in this chapter, all consultants also have responsibility for sales. In small consulting companies, it seems reasonable to assume that the individual consultant, and their ability to form a trusting relationship with the client organization is more important for sales than the brand name of the consultant company, which was also confirmed by the interviewees, who said that new clients had often not heard of their company before, lest it was via a personal acquaintance. All interviewed consultants were directly involved in sales. The clients, represented by either the CEO or the HR director, came from middle-sized

companies, with more than 500 employees, in a variety of industries. Most but not all were part of larger, multinational corporations. However, no public organizations were included, since these by law have a different model for the purchase of services and supplies, and also to a large extent employ specialised consultants. To some extent, they therefore constitute a different market. When possible, consultants and client organizations were chosen so as to make up matching pairs, so that both sides would be able to account for their perception of the working relationship. This was the case with eight interviewees. The total number of interviewees in this study was nineteen. Ten represented the client side, of these eight were HR-directors, one was a CEO, and one a co-worker at a HR-department. The remaining nine interviewees were consultants from nine different companies. The industries represented on the client side were retailing, computer services, travel agents, insurance, temp agencies, construction and wholesale trade. The interviews for the consulting study were made in Stockholm and Gothenburg.

The interviewees were granted full anonymity, and are in the study therefore referred to only in their professional role (consultant, theatre manager etc), this measure being taken as a way in which to facilitate gaining the trust of the interviewee, as the subject at hand might be considered as sensitive (Cicourel 1974). The interviews touched upon sensitive issues, some of which may not seem so to an outsider, but which to an insider may have quite a different meaning. Therefore, all names of organizations and projects have also been made anonymous. The omission of the names of the

interviewees, even by pseudonym, may seem to impact the credibility of the study in a detrimental fashion, as the reader is not able to ascertain which interviewee said what, from what position they were speaking, and so on. However, as the interviewees all speak of a common social space, one might argue that their voices form the polyphony of that space, and thus the decision was made that the loss in transparency made through the decision not to name the interviewees was compensated by the gain in confidentiality for the interviewees, which could be assumed to lead to an increased openness in the interviews. Experiences of earlier qualitative studies in trust stress the importance for the researcher to be able to build trust with the research participants, especially if the research is on sensitive topics. (Lyon 2012) While the issue of selling and buying services may not be at the extreme end of sensitivity, it is certainly not a topic spoken completely openly about, since it also involves the accounts of failed projects and failed service providers. It therefore seemed reasonable to suffer some loss of transparency in the analysis, with the benefit of getting more detailed answers on a wider array of topics from the interviewees.

The analysis was in line with the hermeneutically inspired approach, and thus an initial, theoretically grounded understanding was adjusted following the first interviews, as some answers lead in a different direction than planned. Instead, new areas came up, for which a new theoretical basis was built, and so on. In this dialogue between theoretic and empirical results, however, the empirical aspect took the lead after the initial theoretical basis. In other words, theoretical concepts and models were chosen with the in-

tention of finding explanation for phenomena and issues which had emerged from the interviews, following which the interview questions were adjusted, and so on in an iterative circle. (Breeman 2012) In practical terms, the transcribed interviews were analysed using the software N-Vivo to sort what was said in the interviews into different categories. These analytic categories emerged as a result of the iterative dialogue between interviews and theory described above. Once the interviews had been categorised, the collection of quotes in each category were read, and the categories were then to some extent adjusted. The categories were then used to structure the analysis, following the division into micro, meso and macro levels used in the study, and each category then formed the basis for a section of the analysis (for example, The art of saying no and Climbing the social ladder).

3 Stage directions: a theoretical toolbox for trust

Trust creation is the focal point of this thesis, and trust, as we saw in the introduction, is an embedded concept. Therefore, in order to understand the leap of faith that is the essence of trust, we need an understanding of the sensemaking processes of interpretation and expectation that preclude choosing to trust. And in order to understand this process, we need an understanding how the information necessary for this process is acquired, and the nature of the collective frames of reference employed in the sensemaking process. In short, an understanding of trust is not enough; we also need a theoretical toolbox which enables a conceptualization of the context of the trusting process. The framework presented here also serves to fulfil one of the research aims outlined in the introduction: to provide a conceptualization of those aspects of the context that are relevant for trust creation. Trust being the central concept of this study, we will begin our theoretical odyssey with a taxonomy of trust, where the idea of trust as a leap of faith is related to other understandings and forms of the concept. This part of the chapter aims to convey how trust is interpreted in this study, but also to provide a brief overview of the literature in the field of trust research.

The second part of the chapter, entitled *The Social Context*, presents a conceptualization of the context of trust creation on professional service markets. It has been divided into three aspects: macro, meso and micro levels. The micro level is the interindividual level, the level of trust creation. It is here that the leap of faith takes place, and the focus in this section is on the mechanisms which enable this leap: the bond between trustor and trustee, and the process of sensemaking preceding the leap of faith. This interaction is embedded in a social context, of two distinct species: the organization, presented in the meso level, and the macro level, where we find market mechanisms, field forces and networks. It is thus proposed that the organization as a social structure is distinct from the structures found on the macro level, arguably because its boundaries are of a different nature and less permeable. The individual actor therefore has to relate to two distinctly different sets of social context: macro structures, and organizations. At this point, the reader may wonder whatever became of the temporal embeddedness of trust that was argued in the introduction – as we shall see, however, temporal and social aspects of context are intertwined, since the social context provides the memory and expectations that provide the temporal context. A description of the social context therefore also encompasses the temporal context. Structurally, this chapter thus takes as its starting point the interindividual phenomenon of trust creation, before zooming out to the macro, then taking a step closer to regard the meso level, and finally returning to micro level processes. Taken together, the second part of

the chapter thus provides a theoretical toolbox, through which the context of trust creation can be understood.

At this point however, a caveat should be noted: the distinction between interindividual interaction on the one hand, and social structures on meso and macro levels on the other, does not implicate that they are entirely separate realms. The clear-cut division between them is the researcher's, a result of conceptualisation rather than natural separation. When a leap of faith is made, this will to a certain extent take place in all three dimensions: on the interindividual level, a bond will be created between trustor and trustee, but it will also be a small part of the continuous processes that forms an organization, and furthermore one of the myriad of interactions that constitute the field, creates and upholds networks, and ultimately results in the markets for theatre direction and consulting. Thus, we should keep in mind that the map is not the world, and thus the purpose of this map is precisely to make neat and separate what in reality are interlocked, multidimensional processes. (Bateson 1979, p 30) While this may to some extent cause distortion, I would also argue that only so can we disentangle these processes, which arguably is necessary if we are to understand them, and form a clearer understanding of the influence of context on trust. Through form, sense is made of process, as form allows us to create a typology of the processes that we study, with the help of which we may then take a more informed second look at studied the processes. Understanding of social phenomena is thus created through a dialectic course between form and

process. (Bateson, 1979, p 211) After this little preamble, let us move straight to our central concept, that of trust.

3.1 A Taxonomy of Trust

It's the fear of what comes after the doing
that makes the doing hard to do
Tony Kushner: Angels in America

Possibly as a consequence of its multidisciplinary use - being studied by amongst others psychologists, sociologists, economists and political scientists - trust is often used to denote kindred but not dissimilar notions, or even as a “floating signifier” (Lévi-Strauss 1987; Sevón 1998), the scholarly equivalent to a “thingy”, a word used to denote such things that we lack words for. In other words, investigations into questions of trust often suffer from the consequences of homonymy, stemming partly from the cross-disciplinary nature of the concept, which makes for different understanding of trust in different disciplines. (Li 2007) This unfortunate tendency also causes many researchers to despair of the concept altogether, as trust as a consequence appears an empty notion of little scholarly interest. Apart from presenting a bleak prospect for a proposed study on trust, I would argue that this approach is also a case of throwing out the baby with the bathwater, allowing careless use of a concept to detain us from using it altogether. Furthermore, there have been several attempts made to create cross-disciplinary taxonomies and definitions of trust from trust researchers, to the extent that there is some common ground for trust researchers from different disciplines to meet (for some well-known examples see Li 2007; Möllering 2006; Rousseau et al. 1998). Thus, while it always impor-

tant to define your key concepts, this is especially the case with trust, so as to forestall any floating tendencies. Therefore, in the following section, we will dwell for a moment on the different meanings of the concept, and how it is used within this study.

3.1.1 Types of trust

To begin with, what kind of trust are we talking about here, trust in what? Given that trust is such a widely studied topic, and arguably one of the fundamentals of social life, if it is to be able to function, it is not surprising that trust may take many different forms. Although trust always emanates from the individual, it may take different directions, which will have an impact on how it functions. Furthermore, it might be regarded as a result of agency, or the result of norm systems and personality. A suggested way in structuring research on trust, spanning over trust researchers from different fields, might be seen in the following figure:

	Agency	No agency
Individual level	Interindividual trust	Trust as trait
Structural level	System trust	Culture of trust

If we begin with the right hand side of the figure, and trust as trait, this would be trust as it seen by a psychologist. Different people have different propensity to trust, and this to a large extent decides whether trust will en-

sue. The task of the researcher is then to understand what causes this readiness to trust, and to find the appropriate psychometric tools to measure it. Trust, or rather readiness to trust, is thus regarded as a trait, which might be understood by forming an understanding of personality. (Worchel 1979) Seen from this viewpoint, the development of trust has less to do with the situation at hand, but rather emanates from the trustor's earlier personal experiences: "the traces of a personal history of experiences with trust, petrified in the personality of the trusting agent" (Sztompka 1999 p 70). This does not mean that we are born with a certain propensity for trust, but rather that the basic impulse to trust is either disappointed or confirmed in the course of a lifetime, and thus over time a behavioural pattern emerges, which, in a new situation, makes a person likely to react in one way rather than another. The studied trait on the trustor's side will then be propensity to trust, an expectation that others will more likely than not be trustworthy and not deceitful. (Mayer, Davis and Schoorman 1995) Trust in this sense is therefore closely linked to trustworthiness, as even the person likely to trust will usually not blindly trust anyone (lest he is not only trusting but also naïve), but be at least somewhat parsimonious with his trust, sparing it for those that are deemed trustworthy. Whether trust will ensue or not is then dependant on whether the prospective trustee is perceived as trustworthy or not. (Currall and Inkpen 2002) Thus, there are certain qualities, that make people trustworthy, and when these qualities are perceived by others, trust is likely to ensue – especially if that person has a propensity to trust. What these qualities would be more exactly has been described in a number of ways, however, it would seem that they are con-

nected to whether the trustee has the ability and will not to betray the trust bestowed on them. Thus, they may be described as concern, openness and reliability (Mishra 1996), or as ability, integrity and benevolence (Mayer, Davis and Schoorman 1995). In this sense, trust is to a lesser extent the result of active choice and agency, but rather the result of assessment of character, paired with your own penchants for trust or distrust. In other words, if you put together an able, moral and benevolent person and a person with a propensity to trust, trust is likely to be the result. Since trust placed in the untrustworthy would be unwise, and inviting deception, it follows that much research is focused on determining both what makes people trustworthy, and moreover what makes others perceive them as trustworthy. From a game theoretical perspective, this may be understood in terms of signalling theory (Spence 1974): since certain qualities are not directly observable, such as trustworthiness, when assessing these qualities, we judge them by other qualities that we can observe. In other words, the observable qualities serve as signals for the unobservable. Knowing this, the person being assessed will of course try to send the right signals. However, the problem arises when people who do not have the right qualities also send the right signals, in order to win the advantage that having the right qualities would have, but without having to carry the cost that these qualities would have. The solution lies in trying to find a signal which is cheap and easy to give for those that have the right quality, but very difficult and costly for those who do not. In trust terms, a signal for trustworthiness that is effortless for the trustworthy, but nigh impossible for the untrustworthy. Of course, the presupposition is that people are rational and opportunistic,

which we will return to later, but for now, signalling theory pinpoints the importance in this vein of trust research of determining both what trustworthiness is (and how it can be measured), and how it is interpreted and assessed. Trust in this vein of study is to a large degree a matter of risk assessment (Möllering 2008 p 13), and since a person prone to trust would be likely to assess the risk at close to nil when pondering over someone they perceive as trustworthy, trust is the result when risk can be eliminated. However, one might argue that without risk there is no need for trust – trust does not eliminate risk; it only causes us to act *as if* the risk were not present.

However, the trustor and the trustee are not likely to be living in a social vacuum. Therefore, they will also be susceptible to the norms of the society and culture that surrounds them, which bring us to the structural level, and a culture of trust. If the traits of trust and trustworthiness create the likelihood of trust on the individual level, a culture of trust will have a similar effect on a structural level. In such a culture, trust is both plentiful, and furthermore endorsed by norms and peer pressure: “when the routine of trusting and meeting trust turns into a normative rule for both the trusters and the trustees” (Sztompka 1999 p 111) These norms might be expressed through stereotypes and prejudices, which will prescribe trust or distrust when dealing with a specific group of people. As all norm systems, a culture of trust will tend to reinforce itself, once it is in place, as it creates a standard of trust and raises the sanctions (in the shape of social pressure) if this trust is dishonoured. In such a cultural setting, there will be a pressure to

trust, while in a culture of distrust, distrusting behaviour is encouraged. (Sztompka 1999 p 70) Presumably, this is what has taken place when business graduates, after years of studying models based on opportunistic economic man, are shown to become less trustworthy and less prone to trust after their studies than they were before. The level of trust in society, how strong such a culture of trust is, may of course be studied and measured, as has been done by for example Francis Fukuyama (1995), studying cultural differences, in terms of trust, between eastern and western societies. It is this form of trust that Putnam (2001) laments is decreasing in society, as our bond with others in our community, and thereby our trust in them, crumble, and we become isolated and cynical. When such a culture of distrust has been established, we will be less willing to form bonds, and thus the state of cynicism and isolation becomes permanent. (Sztompka 1999) The link to the individual level is not difficult to make: living in a culture of trust, the individual will be more likely to make experiences of trust that is honoured and not betrayed, which will increase their propensity to trust. Furthermore, when interpreting the signals of potential trustees, you will be more likely to come to the conclusion that they are indeed trustworthy – and the assessment will probably be right, as there would be strong social sanctions against that person would they later be discovered to be deceitful. Therefore, there will be a strong incentive to behave trustworthy and honour the trust bestowed on you. This type of trust is perhaps more similar to what Luhmann (1988) terms confidence, as it does not so much require active choice from the trustor, but rather is the result of normative pressure from the surroundings. Trusting behaviour is then taken for granted and

distrusting behaviour sanctioned against. Of course, whether there is such a culture of trust in place will have an impact on what kind of cooperation is possible within that social context, a culture of trust of course enable forms of cooperation that would not be possible in a culture of distrust.

Now, it might be argued that these studies are in fact not so much studies of trust itself, but rather studies of circumstances that may facilitate or hamper the emergence of trust. Arguably, however, the essence of trust requires agency, for trust is always the result of the active choice of the trustor. It is never self-evident that trust will emerge, even if circumstances are such that it would seem plausible or even necessary. Trust may thus be expected and wished for, but not commanded and requested, as it always carries with it an element of choice. Thus, there is the “irreducible agency on the part of the trustor” (Möllering 2006 p 121) As has been pointed out (Keating 2007; Keating and Couto 2007), describing trust in terms of a leap of faith rather than just the more passive state of mind highlights that it is the result of an act, not something that emerges by itself. Trust then becomes more of a movement (or the result of a movement), the result of a conscious decision. Trust without agency, where there is no choice to be made, is not to be regarded as trust but rather as confidence, a similar notion which is often used interchangeably (Luhmann 1988). The difference lies in the perceived alternatives – when I go to bed, I am confident that I will not be murdered in my sleep. However, there is little choice than to be confident, lest I would try to stay perennially awake. Furthermore, if something should happen to me, there is no-one I could be disappointed in, and

no-one who has betrayed my confidence. However, if I hire a guard to stand outside my door to protect me, then I put my trust in him. I have made an active choice to hire and put my trust in this specific guard, rather than someone else. If I am attacked because the guard went for a coffee, then I could justly say that my trust has been betrayed. Thus, to trust necessitates to choose, and to expose yourself to the risk of having your trust be betrayed by the one you have chosen to trust. We have confidence because there is no other choice, but we choose both to trust, and in what we will place our trust. In trusting, you act in spite of a risk, which could otherwise have been avoided. (Luhmann 1988 p 97) So, I have confidence that an aeroplane will not fall on my head if a venture outside (for what other choice do I have?), but I choose to put my trust in air travel, and more specifically, I trust the safety procedures at a certain airline, and trust that if I choose to travel with them, the plane will not crash. Furthermore, the consequences will be different, should our expectations not be met: if trust is betrayed, we feel deceived and hurt. If confidence is betrayed, merely disappointed. That is, the emotional element takes a much greater role in trust than it does in confidence. Thus, trust makes us vulnerable in a way that confidence does not, as we risk not only being damaged by the course of action we presupposed not taking place, but also emotionally risk feeling betrayed, hurt and made a fool of. Betrayal of trust thus creates a “surplus of harm beyond other more tangible harms brought about by the trustee’s improper conduct.” (Sztompka 1999 p 32) However, this does not mean that trust is completely separate from confidence, as the perception of whether there is a choice or not may not be constant. The distinction be-

tween the two concepts may also be seen by the resulting consequences were either of them to be absent. The absence of confidence leads to a feeling of alienation and possibly a longing for withdrawal from society, while the absence of trust leads to inertia. (Luhmann 1988 p 103-104) In the complete absence of trust, few actions remain possible, and thus the result would be passivism and stagnation. (Sztompka 1999 p 116) Furthermore, we may have one without the other – you may have confidence in the economic system, but not in a specific bank (and thus choose another), or trust in the police, but no confidence in the legal system as a whole. The two concepts of trust and confidence are thus closely connected, yet distinctively different.

While seemingly obvious if we compare trust in people with confidence in the laws of nature, the issue becomes somewhat more intricate if we consider trust in systems in relation to confidence in systems. The key, it might be argued, lies in the element of choice and agency: considering the economic and political systems, we have little choice but to have confidence, for we cannot put ourselves outside of these systems. There does, to most citizens, not appear to be any alternatives to taking part in the economic system, or subjugating to the political system. (Luhmann 1988 p 102) However, if we return to example presented earlier, there is a number of airlines or other means of travel to choose from, and even if this trust is not bestowed on any one person, we trust their organization and security measures, as well as regulations for air safety, enough to be willing to buy a ticket. That is, not all systems are eligible, so to speak, for trust. (Sztompka

1999 p 21) Towards the natural world, the weather and other natural forces, only confidence is possible, as there really is no other choice than to subjugate to their effects. Sztompka suggests that the heart of this distinction lies in the agency of the counterpart that we put our trust in – thus, we cannot trust the weather, because it has no agency, but only human made systems. Thus, if we trust a car, it is not really the car we trust, but the people who made the car. While this may to some extent be a fruitful approach, I would argue that it is ultimately unsatisfactorily, as we may have confidence in man-made systems such as the economy, and trust in non-human entities, such as our pets. It would thus appear that Luhmann's emphasis on the necessity of choice (and thus indirectly the agency of the trustor), regarding trust as in essence "an operation of the will" (Luhmann 1979 p 32) may serve us better. We thus return to agency as an irreducible part of trust – without it, one might argue, it is not trust but confidence which will emerge.

However, this is not to say that agency in this context is to be regarded as unrestrained will, guided only by goal attainment and the deliberate evaluation of anticipated consequences, for it will always be embedded. Neither is it altogether habitual and reproductive, as this would leave no room for choice, but always reduce trust to confidence. Thus, "agentic processes can only be understood if they are linked intrinsically to the changing temporal orientation of situated actors."(Emirbayer and Mische 1998 p 967), and agency therefore both has the capacity to reproduce and transform. This temporal-relational quality of agency might be described in terms of an it-

erative element, oriented towards the past, the experiences made and the habits of mind acquired, a projective element, oriented towards the future, envisioning what might become and the desirability of these possible scenarios, and finally a practical-evaluative element, oriented towards the present, applying these past experiences in order to interpret the present situation, and resolve it in a manner suited to attain the desired goals. The arc of agency thus ends in action or execution of the alternative that seems appropriate in order to solve the problem or attain the goal. This final element of practical evaluation may involve only the “unreflected adjustment of habitual patterns of action to the concrete demands of the present”, in which case agency will fulfil its reproductive potential, but there may also be a “conscious searching consideration of how best to respond to situational contingencies in light of broader goals” (Emirbayer and Mische 1998 p 999), in which case the transformational potential may be fulfilled. However, we should keep in mind that agency always involves all three elements, and so there is an element of iteration even in the case of transformation, as the alternatives for the future are interpreted against the backdrop of past experience. Therefore, trust does not necessitate the transformation of structures even if it does always entail an element of conscious consideration of how to respond to the given situation. It may well be the case that in this interpretation of the situation at hand, envisioning of the future and consideration of appropriate action to take, habit plays such an important part that the resulting action reproduces rather than transforms. Furthermore, far from all actions are given the attention and energy needed to make such a conscious deliberation, as most decisions in

our daily lives will be done purely on the basis on unreflected habit. When it comes to trust, however, and the situations studied in this thesis, agency will be enacted in such a way that a deliberate choice is made, albeit not an unrestricted one. The action or execution that completes the arc of agency would in the case of the studied trust process be the enactment of the leap of faith, as the decision to trust the director or consultant with a particular project and thus go ahead with it is regarded as a leap of faith, the action ending the arc of agency.

In the sense of a leap of faith, it is thus the remaining two quadrants of the figure that describe trust as it will be studied in this thesis. However, while both system trust and interpersonal trust necessitate agency, the object of trust will also affect the nature of trust. In interpersonal trust, the act of trusting is in itself not unlikely to affect the behaviour of the trustee, as your counterpart will observe and respond to the behaviour and intentions that are shown. Interpersonal trust might therefore be regarded as more dynamic or interactive than system trust. Showing trust is likely to prompt reciprocal behaviour, or trustworthiness, from the trustee. It is a case of self-fulfilling prophecy, in that reciprocity makes a person treated like a trust-worthy person more likely to become trustworthy – and vice versa. (Möllering 2008 p 18) Consequently, trust is built incrementally, stakes being increased a little at a time, if and when the other party honours the trust already bestowed on them. Thus, it is unlikely that the trustor should jump in at the deep end where much is at stake, but rather a process of mutual favours and proof of trustworthiness develops one step at a time, allowing

trust or distrust to develop during the course of this process (Luhmann 1979 p 44). Unless there is risk, this process will not be able to move forward, as the trustor will want to be able to ascertain that the trustee did not use the option to defect before the stakes are increased. Before a person trusts a friend with a potentially harmful secret, other, lesser confidences will have been shared before. Once trust has developed, the trustor will suspend her monitoring efforts, as this might be interpreted as a sign that she thinks the trustee untrustworthy – which in turn would provoke untrustworthy behaviour. However, suspending surveillance does of course also enable defection. Thus, trust in a seemingly paradoxical manner both invites and deters deceit.(Möllering, 2008, p 16) By trusting, and giving the other the option to defect, the trustor is able to learn how the other might be expected to behave, knowledge which may then serve as a basis for more trust. Building interpersonal trust is therefore also a process of replacing standardized expectations, based on roles or norms, with individual, based on an appreciation of that specific person. (Luhmann 1979 p 62) It also follows that trust is not likely to be developed between those not interested, as it requires an interactive process, and demonstrative trustworthy behaviour as well as bestowing trust.

The reciprocity inherent in interpersonal relations also means that if one party should have superior leverage, and the ability to cause serious damage to the other if the trust is not honoured, such a trustor would be expected not make too much of a show of this advantage. If the calculations of options and motives becomes overt, it gives the impression that the trustor

considers the trustee as untrustworthy and opportunistic, who only under threat could be expected to honour the trust bestowed on them. Such a display of what in essence is distrust might poison the relationship, leading to precisely the defective behaviour that it was intended to prevent. Therefore, a certain element of tact is required on the part of the trustor – if he were to have the means with which to severely punish betrayal, he should have the good sense not to flaunt them. Tactfully avoiding to demonstrate power, and thereby acknowledging the option of betrayal that the trustee would have, but chooses not to use, if the trust is honoured highlights the expectation of benevolence, which in turn might evoke precisely this benevolence by way of reciprocity. Trust thus might be expected to bind not only the trustor but also the trustee, as the trustee is likely to be disinclined to reward expectations of benevolence with malevolent betrayal (Luhmann 1979 p 64). This holds true especially in situations where the counterparts know that they are likely to encounter again and that there might be a reversal of power in those encounters, where sometimes one holds the upper hand and sometimes the other (Luhmann 1979 p 36). However, if the trustor goes too far in the other direction, openly throwing away the possibilities of sanction, he increases his stakes, for if the trustee defects, the trustor's reputation may also be on the line. Such a trustor may in the eyes of others be seen as naïve and foolish, almost inviting deceit. Due to the reciprocal nature of personal interaction, building trust thus requires delicacy and tact, if deterrents to betrayal or invitations to trust are not to have the opposite effect. Tact may also serve as a facilitator for trust, for if both par-

ties can depend on the other not letting them loose face, trust becomes less risky and thereby more appealing.(Luhmann 1979 p 68)

Systems, on the other hand, are not responsive to the same extent. “System” is used here in a rather broad sense, as social orders that serve to reduce complexity. (Luhmann 1979) The monetary system might be such a system, where those who trust it make the decision to disregard the possibility of money suddenly losing value or that it might not be possible to use it universally to acquire goods and services. This trust is impersonal, for it is not really connected to specific people, but to the social structure itself. We may not understand completely how the system works, or even stop to consider it, but we trust that it will continue working. Now, this may seem conspicuously similar to confidence, as described earlier, but here again the difference lies in choice. Even though we may not understand how the monetary system works, we still hold an opinion of whether the system is trustworthy, and we may choose to trust one currency over the other. Thus, the monetary system serves as an illustrative example to the difference between confidence and system trust – we have confidence in the monetary system (for what choice do we have?), but choose to trust our local currency even during economically unstable times. Or we choose not to trust, and exchange our Swedish savings to euro. The object of trust being impersonal, however, will also have an impact on the process, for since the system is impersonal, we do not expect it to react to our actions. If I choose to keep my money in a Swedish account, and the krona subsequently loses in value, I may well feel disappointed, but hardly betrayed. The element of re-

ciprocity, which plays such an important part in interpersonal trust, is thus neither present nor expected to be when we place our trust in systems. Since system trust does not require a full understanding, it follows that it is also more difficult to control. (Luhmann 1979 p 50) System trust will thus tend to a higher degree of uncertainty, as the gap of the unknown is wider. Of course, this rule is not universal – a suspicious person might take care to learn all about the presumed stability of a particular currency, and how functional the structures governing it may be, whilst a person prone to trust may bestow personal trust on someone they know very little about. Nevertheless, the greater potential for being taken for granted, in agency terms the relative strength of the iterative, habitual action, and the lesser need for information brings system trust closer to confidence or familiarity than interpersonal trust.(Luhmann 1979 p 58) It is a matter of degrees, of perception of choice, whether a certain situation would be deemed one of confidence or of system trust.

There is a tendency for system trust, if available, to replace interpersonal trust. If we stick to our monetary example, this would mean that if there is a banking system in place that we feel we can trust, we do not have to find individuals we can trust with investing our money or transferring them to the account of our choice. Since system trust requires less learning, it is not difficult to see why it would supersede interpersonal trust if both are available. If you want to transfer money to an English account, it will most likely be more bother finding a trustworthy person who can take the money to England for you, exchange it and place it in the right account, than to sim-

ply transfer it through your bank. System trust, then, “replaces, through one all-inclusive act, the countless individual, difficult demonstrations of trust which would be necessary to provide a sure foundation for life in a co-operative society.” (Luhmann 1979 p 51) Through system trust, the individual is able to make use of the information already processed by invisible or unknown others. The information is presented in an already simplified and prearranged form, as black box which allows us to handle amounts of complexity that would otherwise be impossible. Furthermore, these systems will not be able to survive, unless they are trusted and therefore used. (Luhmann 1979 p 55) A bank with no clients or a currency no-one wants to have in their pocket will soon lose purpose and disappear. Although potentially powerful in their ability to reduce complexity and co-ordinate events, the systems are thus vulnerable in that they require trust in order to function. System trust does in this sense not differ from interpersonal trust in that it involves two aspects, that is trust both in the efficiency and the effectiveness of the system. In other words, we trust both that the system will do the right thing, and that it will be efficient when doing so – which in essence is the impersonal version of the benevolence and competence we expect of people when we place our trust in them. When we trust a system, we also trust in their internal control system, so that if anything would go amiss, the system would be able to correct itself before any greater misadventure follows from it. So for example, if the plane I am travelling on were not to function, I trust my chosen airline to discover this before takeoff and find a solution to the problem.

While it may seem as though system trust is in fact superior to interpersonal trust, always being preferred if available, this is not quite the case. For the same elements that make system trust functional, the comparatively lesser need for learning, and the lack of reciprocity, also makes it fall short in some situations. To begin with, there may not always be a system in place in which we deem it prudent to place our trust. And even if there is, a system will not be able to respond to our individual need and the situation at hand as a person might be able to. Also, the two might work in combination: in regarding applicants for a position, we might trust a certain school that a particular candidate has a diploma from, but just the system trust in the grades is probably not enough – we also want to be able to build a basis for interpersonal trust before we are willing to take a leap of faith.

We will return to how this basis is built shortly, but for the present, having regarded the nature of different types of trust, defining precisely what is meant by the notion in this study might be appropriate, if not overdue.

3.1.2 The essence of trust

Within the field of trust research, there is a plethora of available definitions of trust. However, it would seem that in recent years Rousseau et al's (1998) definition of trust as “a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another” has evolved as something of the standard definition used, especially in psychological research. This concise definition captures the two most central aspects of trust: the willingness to accept vulnerability and the expectance of benevolence (Lewicki, Tomlinson and Gillespie

2006). The trustor thus has positive expectations although it is not certain whether these expectations will be honoured. By this understanding, trust primarily denotes the internal intention and belief, rather than necessarily the action resulting from it – the case of “I would trust you with my secrets if I had them, but I don’t have any” is just as much a case of trust as actually confiding the secrets you have. However, as has been shown above, the understanding of trust as used in this study would imply that the next step is taken as well – that the arc of agency comes to a close, and thus that there also is an action that results from the state of mind. The focus here is on trust-as-choice, rather than trust-as-attitude. (Li 2007) Therefore, while the definition cited above is certainly useful in that it points out the two main elements that constitute trust, I would like to highlight a slightly different take on trust, regarding it as essentially a “leap of faith” (Möllering 2001; Möllering 2006). Inspired by Georg Simmel, Möllering describes trust in the following somewhat poetic, but nevertheless poignant manner: “trust can be imagined as the mental process of leaping – enabled by suspension – across the gorge of the unknowable from the land of interpretation into the land of expectation. [...] once the leap across has been accomplished and a state of favourable (or unfavourable) expectation is reached, the process continues and the land of expectation becomes the land of interpretation from which the gorge will soon need to be crossed again” (Möllering 2001 p 412). Trust by this understanding represents the faith in the other that cannot really be accounted for, the leap into the unknown that is by its nature mysterious or even mystical. (Simmel, 1950, quoted in Möllering 2006 p 109) It is the leap from our interpretation of the present circumstances

into our expectations of the outcome of the future. And the agent taking this leap acts as if there was no difference between the two, as if the future were as knowable as the present. In this “as if” lies the suspension that is the heart of the concept of trust.

This brings us back to Luhmann’s view on trust as being a mechanism with which to reduce uncertainty and complexity. Through trust, we are able to cognitively limit the myriad of possible outcomes of a situation: “the problem of trust therefore consists in the fact that the future contains far more possibilities than could ever be realized in the present” (Luhmann 1979 p 13), for by trusting, we behave and think *as if* only certain actions were possible. This element of suspension, the behaving and thinking *as if* does however not mean that the trustor is unaware that the outcome of an event may not be beneficial, that it would lie within the possibilities of the trustee to dishonour the trust bestowed on them and deceive the trustor. Rather, this possibility is suspended – the trustor sees it and is aware of it, yet does not really perceive as a plausible line of action. (Möllering 2008 p 14) “Trust rests on illusion” (Luhmann 1979 p 32), as Luhmann puts it, the illusion that only good things will happen. The leap of faith is never made over solid ground, but rather on an “extrapolation from the available evidence” (Luhmann 1979 p 26). So for example, you might be aware that it is a real possibility that your partner may be having an affair. It is a course of action that would be within the realm of possible courses of action. However, if you trust your partner, you do not regard this possibility as real – you are still aware of it, but not as a real possibility or something that requires ac-

tion or even concern. This disregard is formed even though you cannot really conclude from the information available that infidelity is not taking place. This example also highlights that trust is the result of an active choice, not a state of mind that once attained is stable until changed by outer events. Consider for example that your husband declares he wants to spend the evening with a female friend. What do you think? If the leap of faith is made, and trust is attained, the possibility that they are having an affair is not perceived as real (although one might be aware that it would theoretically be possible), but only the possibility that they are good friends who just happen to be of the opposite sex. It is when pondering over the situation the leap of faith is made (in which case you wish for a pleasant evening) or not (in which case you become suspicious and insist on accompanying your husband or demand he stay at home).

However, this also means that there has to be risk involved, if we are to be able to speak of trust (Luhmann 1979 p 42), a risk that is incalculable, for it could otherwise be solved by reason. (Möllering, 2008, p 8) The trustee must have the option to let the trustor down, otherwise there is no need to reduce options, and act *as if* only benevolent outcomes were possible, if in fact they *are*. The trustor always puts himself willingly at risk to be betrayed or disappointed, for it is that risk that trust serves to disarm, in that we do not perceive it as real if we trust. Consequently, “trust is not about avoiding or eliminating vulnerability, or resigning to it, but about positively accepting it”(Möllering 2008 p 8) Without the urgency created by risk, indifference may serve the same purpose of reducing complexity and uncertainty, since

we do not really care about the outcome, good or bad. Thus, uncertainty would lose its poignancy, without necessitating trust. Therefore, the leap of faith is not taken flippantly or easily, but more likely after serious consideration on whether you can live with the consequences of making it. (Möllering 2006 p 121) “It's the fear of what comes after the doing that makes the doing hard to do” as playwright Tony Kushner (1995) puts it. Trusting does not remove the fear, but rather from the active decision that you can live it.

If trust is to be regarded as a leap of faith, one might be lead to believe that trust also follows the developmental pattern of a leap: that it is a dichotomous phenomenon, where either you have made the leap and bestow trust whole-heartedly, or refrain from it and choose not to trust at all. However, this would be to carry the metaphor one step too far, as it seems likely that trust develops incrementally rather in an on/off-manner. (see for example Breeman 2006; Burt and Knez 1996; Six 2005). Rather than a fixed state, it would seem more useful to regard trust as a fluxus, and so the leap of faith has to be made again and again when we continue to trust, so to speak. As the relationship develops, the land of expectation is changed into interpretation, and the gap that requires a leap may move or change. It is through this process of interpretation and expectation creating the conditions that makes the leap of faith seem inviting that the duality of cognitive and emotional elements of trust are expressed. For while interpretation and expectation largely are based on cognitive processes of sensemaking, the leap of faith is mainly emotionally based. This emotional aspect should not be neglected, and is apparent if we consider how much more likely we are to wa-

ger a leap of faith and trust someone we have an affective bond with, as opposed to someone we fear. The trusting process is therefore constituted by an affective attachment which combined with a cognitive perception of trustworthiness, which taken together lead to trust. (Williams 2007) The optimism and attitude of hope inherent in trust in another is not necessarily the result of purely cognitive reasoning, but likely is just as much based on an affectively loaded perception of the other. Due to this affective bond, fear of betrayal is reduced, and thus trust may ensue. (Jones 1996b) Now, a clear distinction between emotion and cognition is to some extent a chimera, as the two aspects are intertwined rather than distinct – for example, emotion will affect how cognitive perceptions are interpreted, and both emotion and cognition will feed into the process on sensemaking. (Möllering 2006 p 46) Nevertheless, the leap of faith will be primarily affect based, while the processes of interpretation and expectation tend to be primarily cognitively based. Therefore, if a strong emotional bond is in place, relatively little in terms of a cognitive base for trusting may be needed, in other words, even a wide gorge may be ventured. If, on the other hand, this bond is fragile, then higher demands are likely put on cognitive support for the wisdom of trusting, all other things equal.

The mirror side of how trust develops is of course how trust declines. A decline in trust, however, does not necessarily denote an increase in distrust. In concordance with Lewicki, McAllister and Bies (1998), I would argue that trust and distrust are to be regarded as separate dimensions. Thus, there might be relationships that are denoted by both high trust and high

distrust, or that are low both in trust and distrust. At first glance this might seem like a contradiction in terms, but the more the counterparts interact and get to know each other, the more likely that stronger feelings of either trust and distrust, or both, will develop. The latter situation would be for example a friend you know you can trust with your innermost secrets, but who is absolutely hopeless with being on time. You would then both trust that person, and tell them of your personal problems, but not trust them to pick you up in time to catch a train, for example. A casual acquaintance, on the other hand, you may neither trust nor distrust, but keep at arms' length, polite but somewhat cautious. You would hesitate to take a leap of faith, since the gap that would have to be overcome is too wide – hence inertia, resulting as a consequence of lack of trust.

Distrust on the other hand is not only the opposite but also the functional equivalent of trust, for as its counterpart, it serves to reduce uncertainty. (Luhmann 1979 p 71) If we distrust someone, we trust them - so to speak - to be untrustworthy. We expect an untrustworthy subway system to never be on schedule, we expect an untrustworthy source to embroider actual events, and so on. We do not perceive a beneficial outcome as a real possibility, and act as if only certain outcomes were possible. Thus trust and distrust are mirror images, and, I would argue, function in the same manner. A common perception is that trust is built slowly, but destroyed quickly – in the words of a Dutch proverb, “trust arrives on foot, but leaves on horseback”. In other words, trust would be slowly built but easily destroyed, while distrust would be created quickly, but perhaps more difficult

to decrease. However, empirical studies seem to contradict this – it would appear that while trust may well have a horse to depart on, but seems in some instances reluctant to spur it on. In studies of how trouble (defined as an action by the counterpart that disappoints expectations) affects trust in a relationship, it would seem that depending on how the breach of trust is perceived, and the actions that follow it, it may well be that the breach of trust deepens rather than lessens trust. (Six 2005) If trust indeed is lessened, the breach is made by degrees, and not necessarily abrupt and absolute. A possible explanation for this phenomenon lies in the importance of thresholds in the context of attitudes such as trust. Attitudes do have an inherent stability, as we prefer being able to accommodate new events into the frame of mind already present and prefer to confirm rather than shift expectations. (Möllering 2008 p 19) Thus even if events should occur that are contrary to our expectations, we prefer to interpret them within our existing frame of mind, rather than changing our mindset. After all, trouble might just as well have been caused by misunderstanding rather than incompetence and/or malevolence.(Möllering 2006 p 175) A further explanation for this disinclination to declare betrayal may be found in the emotional dimension of trust, as betrayal of emotions bestowed on someone is likely very painful. Rather than admit defeat and go through this pain, it would appear that people make use of emotion management techniques to decrease it – for example, by reinterpreting the action taken by the trustee as well-meaning but ill-advised, or re-evaluating the emotional bond to come to the conclusion that after all, one never cared so much personally in the first place.(Williams 2007)

Changing trust to distrust or vice versa means that perception about the world need to be questioned, which cannot be done at every disturbance. Therefore, both trust and distrust have a certain absorptive power, where the new information is accommodated into the attitude we already have. A breach of trust may therefore not be interpreted as such, but as perhaps an misunderstanding: “not every discrepancy arouses doubts about the familiar features of the world, not every disappointment destroys trust” (Luhmann 1979 p 73). However, this absorptive power is not infinite – if the deceitful behaviour continues, then at some point the threshold will be reached, and there will be a change in attitude. This would explain why it may appear as though trust is easily destroyed, as it is only with the last straw that we see a reaction and change in attitude (which may then on the other hand seem disproportionate given that specific incident). Moreover, the view on trust as the result of a process, something actively built, also implies that trust is not an automatic process, but very much requires active agency from the parties involved. Trust and distrust are both active choices - there is of course also the alternative of simply doing nothing, not taking that leap of faith, but not necessarily distrusting either.

An alternative view on the development of trust proposes that trust in the beginning of a relationship is inherently different to the trust that persists after years of working together. (Lewicki and Bunker 1996; Lewicki, Tomlinson and Gillespie 2006; Shapiro, Sheppard and Cheraskin 1992) Trust would then initially be calculative, based on deterrence. As the coun-

terparts learn more about each other and their relationship develops, they may be able to base their trust on knowledge of the other instead, how they would normally react and behave, which would then cause their trust to be based on knowledge. If they get on extraordinarily well, their relationship may even develop further, sharing goals and values, and thus being able to base their trust on identification – you know that the other will not betray you, for that would mean letting their own ideals down as well. With this aspect of trust, however, we are moving into a larger topic, namely on what bases trust might be built, which we will discuss further in the following section.

3.1.3 Bases for trust

To begin with, it might be reasonable to ask if there really is any basis that is required for trust to emerge. If trust is essentially a leap of faith, wilfully ignoring uncertainty and acting as if the future were known, does it not lie in the nature of the concept that trust in fact requires uncertainty and risk, but not a basis? To some extent, this argument would hold true, but such trust, where it is not merely the question of a gorge but a chasm, might be called blind trust. (Möllering 2006 p 80) That is, trust without good reason, which literally is a jump in the dark, without any means of knowing whether the trust bestowed will be honoured. We may recognize the scenario depicted earlier, where the trustor knows little of the trustee, and feels neither trust nor distrust for them. Now, the risk of trusting without grounds are quite high, and it might be tempting to regard it as folly, or at least as the result of naivety. And of course it might be, but there are also situations where blind trust can be quite functional, namely those situations where no

grounds are available. In other words, where the options are either blind trust, or no trust, and thus no co-operation, at all. The prisoner's dilemma, where it ever to take place literally, might be an example of such a situation. In this well-known game theoretical problem, two men are taken into custody, suspected of having taken part in a crime. They are both given the option to either confess, or keep quiet. If both keep quiet, neither of them can be prosecuted for the crime, and they receive a shorter term for a minor incident. If one rats on the other and the other keeps quiet, on the other hand, only one will be sentenced to a long prison term, and the one who spoke up will be set free. However, if they both rat on each other, they will have shared responsibility and both get a medium prison term. The problem is obvious: the best for both of them would be if both kept quiet. However, they both have an incentive to rat on the other, as it will make them better off. Consequently, if they are opportunistic, they will end up both ratting on each other, even though it would be better for both of them if they kept quiet. That is, if they can muster trust in the other, that he will keep quiet, the problem could be solved. As the case is described here, such trust would have to be blind, but it would nevertheless be functional and therefore desirable. However, although blind trust might well serve its' purpose in certain situation, more often, we do require grounds for trust before we are willing to bestow trust. Arguably, trust is scarcely possible without previous information, for it represents the overdrawing of information, which is hard to do if there is no information available to begin with.(Luhmann 1979 p 33)

Therefore, if trust is a leap of faith over a gorge of uncertainty and complexity, in order to understand when such a leap will be undertaken, we also need to form an understanding which bases or mechanisms that are available for the trustor with which to lessen the gap, and not be reduced to blind trust. This question is of course closely related to the issue of trust development, pointing towards the role of calculative reason and personal knowledge. Rousseau et al (1998) suggest a third element, namely institutions. Another manner of distinguishing sources of evaluations of trustworthiness and predictions of future outcomes is offered by Dietz et al (2010), who suggest that there are direct and presumptive bases of trust, using the nature of the source as basis for distinction. Direct sources are the knowledge and information gained from personal interaction, firsthand knowledge such as would be gathered at pre-project discussions and negotiations, and remembrance of past collaborative projects. Presumptive bases of trust are more uncertain, in that they stem not from direct contact, but from third parties, and what can be gathered from knowledge of norms and institutions as pertains the position of the counterpart, and the assumptions that could be surmised from such social categories and structures. We will return to this aspect later in this chapter, when discussing macro level, and the networks and structures found therein.

Möllering (2006) returns to the theme of foundations for trust, and proposes that trust may have three bases: reason, routine and reflexivity. Reason, which we will return to presently, in that the trustor may have good reason to believe that the trustee will refrain from opportunistic behaviour

– trust built solidly on this base would be calculus based trust. Reflexivity, in that the trustor and trustee gradually, through interaction, build an understanding of each other, which would by itself lead to knowledge-based trust or even identification-based trust, depending to what degree they perceive each other to be similar. Routine, defined as “regularly and habitually performed programmes of actions or procedures” (Möllering 2006 p 69) finally, depends on the logic of appropriateness (March and Olsen 2006), the idea that we behave, and expect others to behave, in accordance to what seems appropriate. Thereby, actions become predictable, as only very few of all the possible courses of action would be deemed appropriate in a given situation.

Of these three bases for trust, it may be worthwhile to spend a few more moments on reason, since it is within this realm that we would find the two classic answers to why and how trust is attained in management studies, provided by transaction cost theory (Williamson 1975; Williamson 1993) and principal-agency theory (Jensen and Meckling 1976). In concordance to classic economic theory, they both assume that the actors follow instrumental rationally, in accordance to Adam Smith’s *Homo economicus*. In short, this assumes that the actors do as well for themselves as they think they can. They seek and assess information about different choices of action, and the result they will lead to, and then choose the line of action that will gain their self-interest the most. This self-interest may well be subjective – the key point being not that there is an objective best choice of action, but rather than people’s actions always are to their own advantage (Elster

2001). Albeit attractively elegant, a closer look at this assumption may reveal aspects where they may be deemed problematic.

Transaction cost theory derives ultimately from Coase's well-known "theory of the firm", but widening Coase's argument to incorporate inter-organizational relations, not only relations within the firm. According to Coase and Williamson, although it would theoretically be most cost-efficient to go out on the market every time you need to purchase something, thereby ensuring that you pay the lowest possible price, in reality, this may not be the case. Going out in the market, and finding information about different suppliers takes time and effort – in short, resources, and furthermore, you may be in search for a specialized, customized product. Changing suppliers thus may be costly, which causes companies to remain in customer-supplier relations even if they theoretically would be able to attain a lower price, were they to start afresh with a new client. Furthermore, as research has shown, contrary to rational expectations, sunk costs do matter, and are likely to be taken into account when a change of supplier is contemplated. So, what choice is there but to trust our supplier, assuming that they will have our best interests at heart, and continue the relationship. In fact, Williamson (1993) argues, we can talk of trust only insofar as our actions can be said to be based on self-interest. Trust beyond reason is not trust, but mere folly. True, people may sometimes act in ways which may seem even altruistic, selflessly helping your spouse, for example. However, this is to be understood as identification-based trust – we identify with our

counterpart, so that we perceive their interests and ours to be one and the same.

Principal-agency theory derives from a problem within the firm: how are we as owners to make sure that a hired manager, given a fair amount of control over the firm, does not use this control to his or her own benefit, rather than the firm's (and thereby ours)? As has been shown in numerous examples in recent years, the managers' self-interest may well be conflicting with the company's interests, so how can you possibly trust them? Yet you have to trust them, lest you want to follow their every step, supervision so costly as to almost make the manager redundant. The answer, principal-agency theory argues, lies in aligning the conflicting interests of manager and firm. Thereby, the risk is shared evenly by both parties, rather than being carried solely by the principal. For example by a bonus programme linked to the earnings of the company, or other forms of incentive programmes. In this way, when the manager acts according to his own self-interest, this causes no problem, since it will also benefit the firm. In an interorganizational context, this would translate as linking payment to the result of the service bought, or, perhaps more commonly, by holding further business ransom, so to speak. For example by letting the supplier know, that if he takes advantage of the situation, his reputation will be damaged. The presence of a tightly spun social network will assure that the trustor has ample opportunity to spread the word of any untrustworthy behaviour and that any tendencies of opportunism will quickly get around. Thus, risks are evened out, as the trustor's vulnerability with the project at hand is

evened out by the trustee's reputation being on the line. (Raub and Weesie 1990) Another solution would be by hinting at an infinite number of future deals that may happen if this one goes well, but which the trustor will cancel if the trustee takes advantage of the situation, a solution which does not to the same extent require an external network. In short, trust in principal-agency theory is mainly deterrence-based trust (Shapiro, Sheppard and Cheraskin 1992), whereby the trustor is given good reason to trust, being able to rest assured that the trustee will be punished if they deviate, and moreover is perfectly aware of this.

Thus, the trust created in the contexts described above could be regarded as instances of calculative trust – that is, where it seems reasonable to assume trust, for we have reason to believe that it will serve the best interests of our counterpart not to betray our confidence in them. There is a basic assumption that people will behave opportunistically, in concordance with rational choice. If people can take advantage of you, they will, unless you can make it believable to them that they will be worse off if they do. Although the rational choice model allows for behaviour that is not objectively rational, it is assumed that people's actions will at least be subjectively optimal. In other words, people will seek to do what seems to serve their interests best, as far as they know. Although rational choice thus covers more varieties of action than a strictly rational model, it is still not unproblematic. It seems people do trust even though trust is not prudent or rational at all, even though their counterpart has every opportunity or even incentive to defect. (James Jr 2002 p 303) One main problem, as amongst

others Jon Elster (1989; 2001) has shown, lies in the basic assumption that people will always act to their own advantage. Such a model does not take into account that people may also be moved by emotions, for example that they may wish to retaliate, even at a cost for themselves, if they feel unfairly treated.

Furthermore, the rational choice model does not take norms and institutions into account. Now, it could be argued that adhering to norms, for example acting reciprocally, serves the greater good, and thus is in fact rational - if not for the individual at an isolated instance, then for the whole of the population in the long run. Thus, it may be gainful to rat on your partner if you play the prisoner's dilemma once, but in the long run, everyone is better off if you were to keep quiet. As a consequence, a norm of keeping quiet would then be established, although it seems to contradict the logic of consequentiality at first glance. So far so good – but this explanation does not help explain all norms, or lack of them. There are plenty of norms which are arbitrary (which side of the street you should walk on) or even harmful to those that adhere to them, but which still exist, for example the *jante-doctrin* (“don't stick your neck out and imagine that you are better or different than us”), which is likely to hamper development and innovation. Furthermore, there are also cases, where in rational terms there ought to be a norm, but is not. There seems to be little correlation between the rationality and the prevalence of a norm. The functionalist assumption of norms surviving for consequential reasons seems flawed, as seemingly

functionless norms prevail, and survival thus does not prove functionality (Merton 1957)

Given this, it seems more plausible to take Elster's view that "social norms spring from psychological propensities and dispositions that, taken separately, cannot be assumed to be useful, yet happen to interact in such a way that useful effects are produced" (Elster 1989 p 149). Merton's proposed solution is to abandon the study of those norms that appear without function – an alternate solution would be to abandon the assumption of functionality and rationality. Rather, we may regard rational choice, or logic of consequentiality, as one of several possible logics of action. Returning to Möllering, reason is not the only basis for trust, there is also routine, as our actions are just as often steered by the logic of appropriateness. We behave and act according to what seems to be reasonable for someone in our position, in concordance to rules and norms. Thus, before we decide on what is appropriate, we first need to consider who we are – who are we to identify ourselves with? (Sevón 1996). These norms could be explicit and overt, but often, they are internalised and taken for granted, experienced by the actors as social facts that need not be reflected upon. The logic of consequences is thus to be considered not as the dominant behavioural logic, but rather as complementary to the logic of appropriateness (Cyert and March 1992; March and Olsen 2006). Consequently, theories which assume rationality will not serve to give a full understanding of how people act in social situations.

However, the issue of norms does not end here. If norms determine our behaviour, then it follows that in order to understand people's actions, we need also to understand the logic and workings of norms and structures. One such norm, arguably a candidate on par with self-interest as the basic underlying principle for human action, would be the norm of reciprocity. Furthermore, it a concept in many respects intertwined with trust, why it may be worthwhile to take a further look at the concept. Reciprocity can be distinguished from compliance, in that reciprocity presumes an obligation from both sides, and a willingness from both parties to uphold the norm through their actions, while compliance only assumes an obligation or duty from one side and a right from the other. (Gouldner 1960) A reciprocal relationship thus assumes that both parties actively reproduce the norm, not just one party's compliance with a moral or formal authority. This mutuality becomes evident in barter economies, for example in Malinowsky's study of the Kula ring upheld by the Trobriand islanders, an economic system based on gift-giving. (Malinowski 1932/2002) A barter economy assumes and reproduces reciprocity, so as to make it virtually impossible to act opportunistically, lest you wish to become a social outcast. The fundamental rules of such a system are elegantly summarized by Marcel Mauss (1925/1997), elaborating on the study of Malinowski and others:

1. The obligation to give
2. The obligation to accept
3. The obligation to return the gift

A contemporary illustration of this principle may be the custom of birthday gifts – you are expected to give something, it would be very rude not to accept the gift, and also not to give something back when it's the giver's birthday. Reciprocity assumes all three steps, compliance only the first two. This reciprocity may be based either on status and/or on roles, i.e. “I expect you to do this because it is to be expected from someone in your position”, but also “I expect you to do this, based on what I have done for you before”. In the first case, obligations are dictated by the institutionalised norm of the role, in the other, by the history of our personal relationship. In both cases, the obligations are the same, but the first is inherent the social structure, the second is independent of the structures.

In both cases, reciprocity is to be regarded as a vital binding mechanism and stabiliser for any social system, Gouldner argues, permeating economic and other relationships. This view is supported by the findings of behavioural economists Ernst Fehr and Simon Gächter (2000), who show that the most common line of action chosen by people in experimental settings is in fact not the opportunistic self-interest advocated by consequential logic, but rather a preference for reciprocity. We reward good behaviour (positive reciprocity) and retaliate bad (negative reciprocity), even at a cost for ourselves. Upholding our moral standards, in this case the norm of reciprocity, is apparently worth more than material gain. Also, we seek to reproduce the norm, by leaving the reciprocal relationship undetermined – we are reluctant to terminate a reciprocal relationship by repaying the debt in full, preferring heteromorphic (equal in value, i.e. tit for tat) to homeo-

morphic (identical in form, i.e. tat for tat) reciprocity. Heteromorphic reciprocity is more likely to cause ambiguity whether or not the debt has been repaid. Rather, we repay the gift (over)generously, thereby creating a bond where both parties feel obliged to the other, where it is not certain whom owes whom, and thereby are able to progress from a reciprocal exchange to a reciprocal relationship. Thus, it would seem that reciprocity not only can serve to maintain a social system, but also as a starting mechanism, giving rise to social networks and systems (Gouldner 1960). Based on the expectancy of reciprocity, we can form a realistic ground for trust, and thereby overcome the hesitance of entering a relationship of economic exchange. A further implication can be drawn from the logic of reciprocity, when functioning as a starting mechanism for social networks: unless you can be expected to be able to reciprocate, the relationship will not be open to you. Thus, an entrance barrier is created for the social network based on reciprocity.

What we assume to be the basis for human action – whether rational choice, as does transaction cost economics or principal-agent theory, reciprocity or legitimacy – will also have implications for how we define trust. If we assume people to be selfish, then trust denotes the leap into the irrational: hoping against reasonable hope that the other party will put your interests before their own. If I am being generous to you, only irrational trust would cause me to believe that you will repay me, rather than laugh all the way to the bank. If, on the other hand, I assume that people are by nature reciprocal, then the trust that seemed irrational now appears the most rea-

sonable thing in the world. Of course I will be repaid – it is, after all, the normal (in the literary sense of the world) thing to do. The uncertainty then rests on whether it is reasonable to assume that we have a mutual understanding of having entered a reciprocal relationship, or, if we adhere to appropriateness as being the guiding principle for action, whether we both understand that behaving trustworthy is the appropriate action to take. In other words, we have moved on to the second base for trust, namely routine. Trust solely based on routine would be the outcome of shared expectations, expectations not grounded in rationality and self-interest but rather in social rules and legitimacy, which are strong enough to make defection a *faux pas*. Routine as a base for trust is therefore dependent on a shared social world, which its inhabitants know and rely upon. (Möllering, 2006, p 55) In such a shared social realm, actions become predictable, as only very few of all the possible courses of action would be deemed appropriate in a given situation. This taken-for-grantedness as a basis for trust is not dissimilar to familiarity (Luhmann 1988), in that it is the elements of our surroundings that we do not reflect upon, but are so familiar with that we do not even stop to consider that they might change or be otherwise. Familiarity, however, takes this taken-for-grantedness one step further in comparison to routine, as the familiar are the elements of our life-world that we are not even able to observe and reflect upon. We cannot move outside the familiar, so even the unfamiliar that we experience can only be understood in familiar terms. A routine, on the other hand, may well be something where we can imagine things being otherwise, and imagining something beyond the routine would not at all provide an impossibility. Rather than the

life-world provided by the familiar, the routine represents a consciously chosen reduction of complexity.(Möllering 2006) Furthermore, the routine is created through social action; it is a process that may be influenced in one way or the other. Of course, once in place, the routine may become so highly institutionalised that they are in effect completely taken for granted, and thus become part of the familiar life-world. As it stands, however, routines as a basis for trust are more similar to system trust, for this reliance on a social realm might also be described in terms of system trust in a disinterested and abstract entity, which serves to reduce uncertainty and complexity, thereby decreasing the gap of the unknown. (Möllering, 2006, p 72; Luhmann, 1979) Routines may also serve as reducers of uncertainty in a less comprehensive manner than an all-encompassing social structure, namely in the form of rules and roles. By institutionalizing rules, trust may actively be promoted – so, for example, bank regulations may serve to promote trust in the banking system, as it makes the banks more predictable, and therefore more trustworthy. Establishing these institutions is however a slow process, and furthermore one which is not easily governed by the individual agent (Zucker 1986 p 55) That being said, rules in particular need to be grounded in a system of some power if they are to serve as reducers of uncertainty – a law that I just made up is unlikely to make people behave the way I would wish, while a law backed up by the judicial system is more likely to seem legitimate and steer behaviour. At the very least, rules require repeated interaction or long-term relationships, whereby other agents will be able to punish those agents that do not adhere to the rules. (James Jr 2002 p 300)

This brings us back to the element of agency in trust – in the same way as the leap of faith itself requires trust, so the bases for trust do not appear by themselves out of the blue, but may rather be seen as the result of the directed effort of the agents. This does not imply that the process of trust may be controlled or directed, but rather that it can be influenced by action. Trustors do not impassively sit by waiting for uncertainty to end, but actively seek information, by interaction and communication, evaluate this information, and make a new interpretation of the other. (Möllering 2006 p 79) This reflexive process as a basis for trust also illuminates why trust, as was stated earlier, is not built between those not interested – for it requires an active search for information, and interpretation of this information.

In other words, we depend as much on routine and reflexivity as rational reason to interpret the situation at hand, and we overcome that remaining uncertainty with a leap of faith. These three aspects do not constitute trust; they provide the basis from which trust may be undertaken. Trust cannot be reduced to them. After reason, reflexivity and routine have been considered, there still remains an unknown factor, which is the very essence of trust – the acting “as if” or leap of faith. These three bases are furthermore not to be seen as alternatives – in an empirical case, we would expect to find a mixture of all three, to a lesser or greater extent depending on the situation at hand and the context. (Möllering 2006 p 111) A particular such context may be seen in project-based collaboration, and a number of studies have been made of how co-operation comes about in temporary set-

tings, which for example predominate many creative industries such as film, theatre and fashion photography (see for example Aspers 2001; Faulkner 1971; Faulkner and Anderson 1987; Haunschild 2003). In these temporary projects, trust needs to be in place in order for people to be able to work together, as the projects are laden with uncertainty and the collaborators are dependent on each other in order to attain results. However, the time is rarely there in order to build solid bases for trust. What we find in these situations has been described as “swift trust” (Meyerson, Weick and Kramer 1996). It is proposed that in a temporary working relationship, where trust is called for, but where the means and time with which to create them is not present, people trust almost in spite of themselves. They act as though they trusted out of necessity, acting over-confident, if you will. However, one might also argue that swift trust is quite literally so – it is the process of trust creation on fast forward, with some ready-made short cuts to help along the way. That is, in swift trust, knowledge is built faster than usual as member initially focus solely on forming an understanding of each other, and may be helped by the existence of institutionalised and well-defined roles.(Möllering 2006 pp 107-109) Research into trust evolvement in temporary groups suggests that swift trust in practice consists of two phases: swift, category-based trust, which is at its apogee ex ante, and which, following interaction between group members, is replaced by situated or knowledge-based trust.(Panteli and Duncan 2004; Robert Jr, Dennis and Hung 2009) In other words, swift trust stems from the outside context, and the categories formed there which are then imported into the project group, while knowledge-based trust is created within the team and the rela-

tions that evolve there.(Jarvenpaa and Leidner 1999) This is also the reason why swift trust often requires well-defined and institutionalised roles, because otherwise the context provides no categories to base trust on. Arguably, trust-forming thus begins already to the temporary group forming, as those employed in project-based industries agree to work in temporarily assigned groups and make them work, in the knowledge that everyone else involved has also agreed on this manner of organization. (Panteli and Duncan 2004) The shift between the two forms makes trust in temporary groups prone to volatility, as members may begin with high category-based trust based on norms and institutions, which is then replaced by low trust in the individuals involved, based the knowledge gained about their behaviour through interaction in the project. In this interaction, an element of skill is possibly involved, which makes it possible for group members to go through this process comparatively quick, a skilful fast-forward of more traditional trust formation, which involves initial cue-seeking and active information gathering about others. (Jarvenpaa and Leidner 1999)

3.1.4 Trust and context

From the conceptualization of trust as in essence a leap of faith, but building on interpretation and expectation follows that the study of how trust may be attained cannot solely focus on the leap itself, but must concern itself also with what resources the actors draw on to create this basis. (Möllering 2006 p 193) The leap itself may not be predicted or reduced to an underlying mechanism, being the essence of trust which it cannot be reduced to something else, be it reputation, opportunism or any other factor. Arguably, it is a result of the individual's propensity to trust and perception

of the situation at hand, leading either to the conclusion to make the leap of faith, or to stay put. Since the combination of a certain individual and a certain situation is to some extent unique, it will rarely be possible to fully explain or predict whether the leap of faith will take place or not. This “mysterious, unaccountable faith”(Möllering 2008 p 13), resulting from agentic freedom, is as we have seen to a large degree the effect of emotion, and thus can rarely be inferred solely by regarding the context at hand. However, this does not imply that trust is inexplicable, for the smaller the gap, the more enticing and therefore likely the leap, since it will not necessitate a strong emotional bond to be enabled. Of course, if the gap closes completely, so that there is no uncertainty and risk involved, then trust will no longer be an issue. Therefore, trust is not the sole solution to any situation denoted by uncertainty – if complete contracts are available with sufficient deterrents, for example, then trust is not necessary.

Furthermore, as was mentioned briefly in the introduction, while the leap of faith is the essence of trust, it would be wrong to assume that the leap of faith constitutes the whole process of trust formation – rather, it is a three-part process, consisting of interpretation of the present, prediction of the future, and the leap of faith as a means of bringing the two together. Therefore, understanding the processes of interpretation and prediction is just as important to understanding trust, as the leap of faith itself is. Through the process of sensemaking, context becomes linked to trust, for it is by making sense of the context that perceptions of past and present are turned into interpretation, and ideas of the future become expectations, providing the

two building blocks that enable to leap of faith.(Adobor 2005) In other words, context shapes meaning, because sensemaking is made with reference to the context at hand, and events interpreted in light of their surroundings. (Johns 2006) Furthermore, since sensemaking largely builds on collective frames of reference based on the social context, it follows that these are not likely to be unique to the situation at hand, but ever present in the form of hegemonic stories and shared beliefs and norm systems (Brown 2006; Weick, Sutcliffe and Obstfeld 2005) While the psychologist may focus on what characteristics of the individual are likely to create a propensity to trust (and thereby the agentic decision to make a leap of faith), the more sociologically oriented approach of this study calls for a focus on the interpretation of the context, and thereby the embeddedness of trust and how and understanding of this context may inform us on trust, since it is this social context which provides these frames of reference and interpretation. Indeed, such a context-focused approach has been welcomed by researchers in organization studies and organizational behaviour alike, as it allows for exploration of multilevel phenomena such as trust, where events on one level have effect on outcomes on another. (Bamberger 2008; Johns 2006)

From these conceptual meanderings, let us return to our research question, namely that of how trust can be attained between buyer and seller, and review this in the light of our exploration of trust. If trust in essence is a leap of faith, and the agency of this leap of faith is completed by action, then the decision to employ a particular project worker can be conceptualised as exactly such a leap of faith. Furthermore, in concordance to our findings

above, in order to understand how this leap of faith is attained at an interpersonal level, it is not the leap itself that we should focus our investigations on in order to understand how it may come about, but rather how its bases are created, and if system trust may to some extent be present and thus provide the necessary firm ground from where to depart. Uncertainty will be reduced through elements such as reputation, social networks, a common understanding, but I would argue that it is never completely eliminated. As will also become apparent when we take a closer look at the empirical situation in chapter three, there is no such thing as dead certain theatre production or a foolproof consulting project, where no risk is involved. As the presumptive trustor seeks to extend the firm ground of interpretation by means of reason, routine and reflexivity, so we might seek to uncover this process, so as to open up the black box that is “gut feeling” and “intuition” when the choice is made.

Now, one might of course play the devil’s advocate and question whether trust is relevant at all when studying the question of how buyers and sellers choose each other on service markets. Might it not be a matter solely of choice and decision, where it is doubtful whether trust plays any part at all? Part of the answer to this lies on the conceptualisation of trust as described above: using trust as our framework does not mean that other mechanisms such as reputation or networks do not matter, merely that they are not sufficient. There might of course be situations where they do suffice, closing the gap of the unknowable to that no uncertainty remains. And then no leap of faith would be required. Therefore, not all situations in which there

is uncertainty necessitate trust, as there might also be other solutions. But on the other hand, it would be equally wrong to presume that trust is never the solution. Put more precisely, in a situation where there are actors, expectations, vulnerability, uncertainty, agency and social embeddedness, the issue of trust will arise. (Möllering, 2008, p 9) If we take a closer look at the selection of theatre directors and management consultants, all these elements are present:

	Actors	Expectations	Vulnerability/Risk
Theatre	Manager and director	Artistic and popular success	Economic problems and/or loss in artistic standing
Consulting	HR-manager/CEO and consultant	Changes in skills and/or attitudes within the client organization that remedy present problems	Problems remain and/or are aggravated, organization becomes weary of attempts of change and more difficult to improve, money and time spent in vain, loosing face internally.

	Uncertainty	Agency	Social embeddedness
Theatre	Imperative of innovation, how will this novel artistic idea turn out at our theatre?	Wide range of productions and directors available.	Both actors situated in the cultural field, production takes place within the manager's theatre
Consulting	Specific change and means of change never attempted in client's organization, will it work here?	Wide range of solutions and consultants available	Consultant and client situated within market, project takes place within the client's organization

It does therefore not seem unreasonable to assume that it will rarely be possible to forfeit the leap of faith, or indeed that the situation at hand is one which does call for trust, if it is to be solved successfully, as has indeed been shown in earlier studies of business to business relationships on service markets. (Morgan and Hunt 1994; Tellefsen and Thomas 2005)

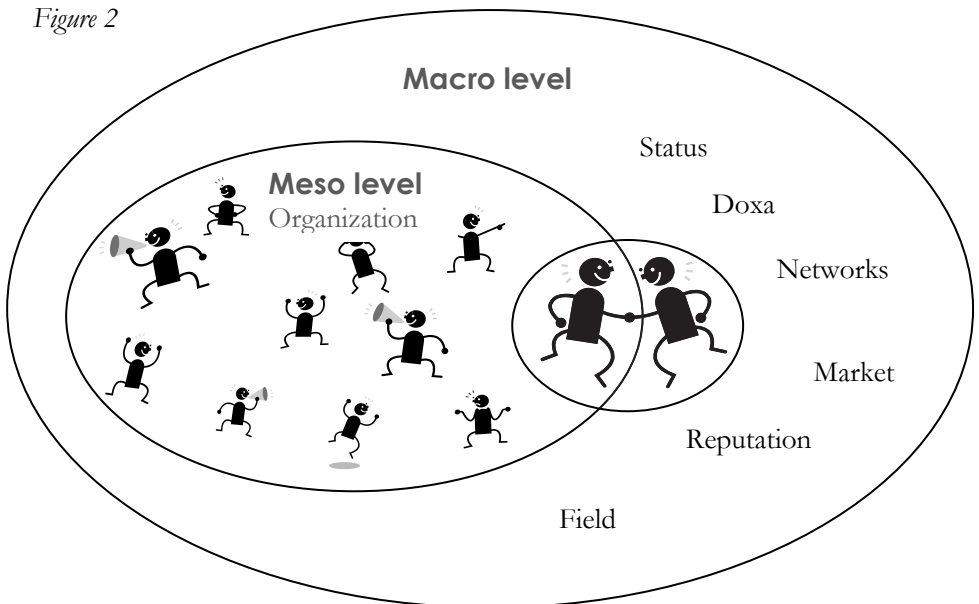
As we have seen, it follows from our approach that conditions and possibilities of trust to a high extent are context-dependent, both in terms of dominating norms and values and in terms of setting. Since trust is socially embedded, it follows that it can only be understood if we also form an understanding of this context and its rules and social networks: “trust is in practice never a purely dyadic phenomenon between isolated actors; there is always a context, a history, and the influence of other actors” (Möllering, 2008, p 9) In the following, we will take a closer look at this context, moving out from the micro perspective of interindividual trust creation, to the organization on the border of which this interaction takes place, and the market which they both take part in, and whose rules they adhere to.

3.2 The social context

Trust is often described in terms of a “meso” concept, in that it has both micro elements of social psychology and personal interaction, and macro aspects in that it is influenced by the surrounding structures. (House, Rousseau and Thomas-Hunt 1995) If we are to understand how actors ultimately end up in a position where the leap of faith seems enticing, we need to form an understanding of how they are able to draw on their context to form the bases for trust described in the previous part of this chapter.

“Context”, however, often defined in quite general terms such as “the surroundings associated with a phenomena which help to illuminate that phenomena.” (Cappelli and Sherer 1991 p 56) is in many respects an insufficiently precise concept for our purposes. If we confine ourselves with stating that contexts matters for trust creation, we are in effect none the wiser as to how trust comes about, bar the insight that context matters. Therefore, we will in the remainder of this chapter seek to provide a theoretically grounded analysis for what elements of this broader context are relevant for trust creation. The basis for this analysis are elements that were brought to light as a result of the empirical part of this study, which are here described in terms of earlier research on different aspects of this context. In order to structure this conceptualization, we propose an adaptation of Furusten’s and Werr’s (2007) multi-level framework for understanding the use of management advisory services, as can be seen in figure 2 below, adapted from Furusten and Werr (2007):

Figure 2



As can be seen in figure 2, the context is thus divided into three aspects or dimensions: the macro level, where larger social structures such as markets, fields and networks may be found, the meso level of the organization, and finally the micro level of interpersonal exchange. It should be noted that the figure of course is a simplification – there will be many other organizations in the field, and many actors outside of organizations. Also, it should be noted how the three dimensions relate to each other: the organization situated inside the market, while the micro level taking place on the boundary between organization and market. Also, it should be noted that the boundaries of the three dimensions are of quite different natures: the macro level is likely not to have a clear cut boundary, but to blend into other markets, fields and networks as the periphery is approached, the organization by comparison has well-defined and visible boundaries, while the micro level often has no boundaries at all, above the exclusivity inherent in every link between individuals. The leap of faith takes place on the micro level, between trustor and trustee, but this relationship is embedded in its organizational and institutional context, which will influence what actions are taken. This view is of course similar to familiar notions (Granovetter 1985; Uzzi 1997) of the embeddedness of economic transactions in social structures, but focuses less on social networks and more on norms and institutions, while also drawing a distinction between the organizational and institutional level. In this study, an adaptation of Furusten and Werr's original model is suggested, keeping the classification into three dimensions, but using a somewhat different conceptualisation of them. We combine Pierre Bourdieu's concepts of field, capital and habitus with notions of networks

and sociological studies of markets to form an understanding of the macro level (Florian 2006), while the organization is seen as a circumscribed polyphonic process, (Belova, King and Sliwa 2008; Hernes 2004; Langley and Tsoukas 2010) and micro level interaction is regarded through the lens of affective bonds, improvisation and sensemaking.

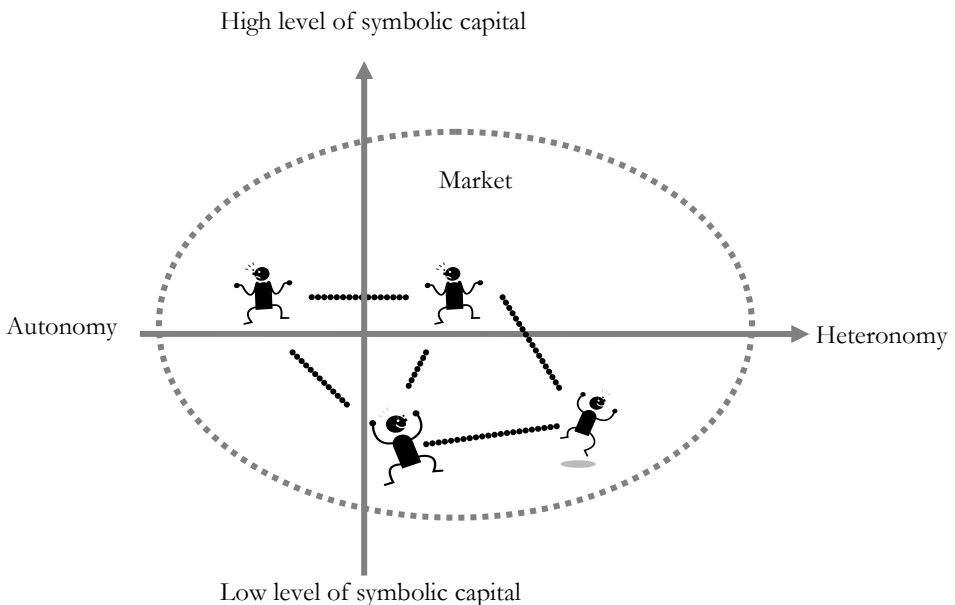
We should keep in mind that the separation between the three levels used here is analytical – of course, the logic of the field will permeate both the organization and the interaction between individuals within the organization, and an interaction which takes place on the interindividual level is also part of the organizational context, and furthermore contributes to the formation of the market. In practice, therefore, the dimensions are intertwined, but since each level has different structures and logics, it makes sense in this context to separate them. Thereby, we are able to complement earlier studies on the sensemaking process in interorganizational processes (Vlaar, Van den Bosch and Volberda 2006a), by regarding the leap of faith against the backdrop of the implicit rules of the social space the counterparts inhabit. Furthermore, by structuring the social context into these three analytical levels, we are able to further our understanding of the impact of context on the trust creating process, regarding it as a multilevel phenomenon, as was discussed in the introduction.

3.2.1 The macro level

As should be clear to the reader by now, the point of departure for this study is that interaction between two parties is not only determined by what takes part between the two of them - therefore it would be misguided to re-

gard the trusting relationship as unperturbed by its context. For instance, it is the perceived context that prescribes what is to be deemed as appropriate. Furthermore, organizations and social structures may be regarded as the result of the human propensity for sociability, which will manifest themselves as structures independent of the individual. These structures are created and upheld through a manifold of social actions, which makes them at the same time flexible and tenacious (Simmel 1917 p 6). In the following, a framework is suggested for the far-reaching of the three analytical levels that the context is divided into, namely the macro level. This conceptualisation will build on primarily three kinds of structures, which are intertwined but qualitatively different, and all serve to have an impact on the market actors. These structures, which we will discuss in this section, are market (Podolny 1994; White 1981), field (Bourdieu 2000) and network (Granovetter 1985). Their relation to each other might be illustrated by Figure 3 below:

Figure 3



As can be seen from this figure, the market for theatre direction, the circle denoted by the dotted line, is situated within the field for theatre production, which incorporates not only this market, but also markets for acting, playwriting, costume design, and so on. The defining dimensions of the field are denoted by the crossing horizontal and vertical arrows, showing level of symbolic capital and autonomy. The field will have other actors as well, who do not participate in the market for theatre direction, since not all field actors are also market actors – critics, actors and playwrights – to mention some examples – may also hold an influence over the field while not directly taking part in the exchanges on this specific market. However, since the market is situated on a field, the social forces of this field also have an impact on what happens on the market. Say for example that a leading critic writes a rave review of a play: this may make the director of the production more interesting in the view of other theatre managers, and thereby make it easier for him or her to find buyers for the service s/he is offering. Within the field, there are also networks, relationships between different actors, which are shown as straight, dotted lines between actors in the figure. Although in the figure the network has been simplified so as to be confined within this specific market within this specific field, in reality these networks are of course likely to include non-market actors as well, or even non-field actors – in which case, however, they will be of limited value for the actor from a market or field perspective, as we shall see.

Moving on from this overview, in the remainder of this section, we will take a closer look at these three concepts, beginning with the *field*, as the largest

of these three social structures. We will then move on to the next social structure, that in the examples studied here is situated within the field, namely the *market*. The market and the field taken together form a social space stable enough to form the basis for another phenomenon, namely that of *position, status and identity* – different ways of describing the place any one actor will occupy within those structures. While some positions are certainly more advantageous than others, it is rarely the case that each person is able to pick and chose whatever position or identity they prefer. One explanation for how the individual interacts with the structure to attain a position is given by the concept of *habitus*, which therefore the following section is devoted to. We then move on to the final of the three major social structures found at the macro level, namely the *network*. Networks are common phenomenon which may serve more than one purpose – a key purpose is often that of transferring information, which we discuss in the section entitled *information and silence*. Another aspect pertains to the relation between *networks and positions*, as networks in interaction with market and field mechanisms contribute to possible positions within the social space. Thereby, our discussion and conceptualisation of the macro level concludes, and we move on to the meso and micro levels of analysis.

3.2.1.1 The field

Bourdieu argues that for example the theatre and other creative or scientific industries may often be understood as fields of artistic, or scientific, production, a field in this sense being defined as “a system of relations between positions held by specialised agents and institutions, who battle about something which they have in common.” (Broady 1998a p 14) Although

these fields will tend to be more powerful in the realms of art and science, it is not art or science itself but rather the fields' autonomy that gives rise to the field powers. A fully developed field, Broady explains, might be understood by the metaphor of a magnet held under piece of paper, which is covered by a thin layer of iron filings. Although invisible, the magnetic field will sort the iron filings into neat patterns, from which they are unwilling to budge. In a similar fashion, the field powers in an independent field will cause all the actors within it to arrange themselves according to the field logic. Now, this independence, or autonomy, necessitates a common object over which to struggle. In the case of the theatre, for example, this issue in common might be described as the question of what good theatre is and should be, and who is able to produce it. In the case of science, it would be what good science is, and which strand of science should be deemed most valuable and prestigious. As a result of a field's autonomy, only one kind of resource is acknowledged: namely the field specific capital. Capital in Bourdieu's understanding, then, is a subjective construct, and its value lies in the eyes of the beholder. A resource holds no innate value, only the value that other agents affix to it. In the example given here, this would be for example experience and knowledge about theatre, or commissions in high-ranking theatres in Berlin or Copenhagen. While the actors in the field will agree on the importance of theatre as such, they are most certainly likely to be in disagreement about exactly what kind of experience and resources should be valued most. How much is an avant-garde production in the fringe worth in comparison to a traditional production at the Royal Dramatic Theatre, what is the value of an arts degree in comparison to access

to funding, and so on. This acknowledged capital is what Bourdieu terms *symbolic capital*. That is, assets will only be deemed valuable and consequently acknowledged in terms of the theatrical (or literal, or scientific, depending on the field) merits they provide. Furthermore, the field will be vigorously defended against what is regarded as contamination from neighbouring fields following a different logic, for example politics. This influence would in the long run weaken the field's autonomy, making it more heteronomous, and so the result may be that not only "good" theatre is valued, but also theatre that fulfils political ambitions of equal gender distribution amongst staff, multiethnicity, and so on. It would be expected that those who possess the most field specific capital would also be the ones who defend the field's autonomy with most gusto and vehemence, since they have the most to lose if the field were to lose its' autonomy.

Given the intricacy of the field mechanics, it is not surprising that successfully participating in this game requires both a conviction of the importance of the game, i.e. e the theatre as such, what Bourdieu terms *illusio*, and a thorough knowledge of the norms for evaluation and tastes of the field, the *doxa* (Bourdieu 2000). If we return to our earlier discussion on trust, *illusio* may also be understood in terms of system trust – those that share the *illusio* share a conviction that the mechanisms of the field will enable it to produce for example good theatre, and furthermore that this is important and good – although positions and assessments of capital may be contested, the field as such is never questioned. The possibility that the field is pointless or unproductive is not seen as real. Thus, the more prominent the *illusio*, the

stronger the trust in the system of cultural production that the field constitutes. Furthermore, since trust builds on expectation, the most deceitful behaviour would be to disarm these expectations, breaking the illusion that all is well which trust rests on (Luhmann 1979), and forcing the trustees to abandon their position of trust in the system. (Möllering 2008 p 22) Consequently, on professional service markets, there are often mechanisms in place to counteract this possibility of deceit or moral hazard, thus making the system trust more robust - namely that in order to enter the market, agents have to demonstrate that they have incorporated industry norms, which thus are able to function as regulators, ensuring that opportunistic actions become unthinkable – and unless you share this belief, you will not be allowed entrance into the market in the first place. (Marsden 2004 p 678) This also creates the possibility of a signalling system, whereby prospective service providers are able to convey qualities which are hard to observe (such as complex skills) to potential buyers. A classical example would be higher education, where a diploma from a certain school may signal stamina, talent and skills. When signals are used repeatedly, they turn into code, which requires tacit knowledge, i.e. e knowledge of the doxa, in order to be observed and interpreted properly. This makes the signals difficult to mimic for someone lacking this knowledge, and likewise difficult to interpret for outsiders. Signals are therefore to a large extent context dependent and tacit, and an expertise in interpreting signals properly consequently often described in terms of a “hunch” or “professional judgment”, seen as depending on both experience and having an eye for talent. (Jones 2002) As temporary employment and boundaryless careers become more common,

these signalling systems gain importance. Age then no longer implies immobility – on the contrary, a more experienced employee is most likely both more knowledgeable of the signalling code, and to have accumulated the capital necessary to convey skills and capabilities. (Tolbert 1996) In a similar fashion, industry norms form a common understanding as to how work should be organised, making it possible to achieve fast results in temporary groups, as it is clear from the onset what everyone's role should be. Temporary groups require swift trust in order to function, which in turn calls for strong industry norms and/or previous trusting relations between the members of the group in order to be attained. (Panteli and Duncan 2004) Persistence in getting projects and thereby learning the codes, and being able to fit in socially and culturally, therefore becomes an important criteria if you want to stay on in the industry, since you may otherwise appear ignorant and difficult to work with. (Jones 1996a)

However, these mechanisms are not equally strong in all fields. In Bourdieu's view, the quality of autonomy distinguishes art and science from other fields, in that they are to a lesser degree contaminated, so to speak, by conflicting logics, primarily commercial or economic. Within the arts, there a sense of art for art's sake, it is self-sufficient, so to speak, and does not have to rely on external confirmation in the shape of economic remuneration to evaluate what is being produced. These fields are therefore of a different nature than say, politics or, for that matter, consulting. However, in Bourdieu's aftermath, this viewpoint has been contested. It has been argued that economic logic is just as socially constructed as artistic logic, and that

non-artistic fields therefore represent a difference in application, rather than a difference in kind. The effects in concordance to economic theory that can be observed in economic fields are therefore ideological, rather than due to an intrinsic difference in their nature. (Diaz-Bone 2006 p 49) The usefulness of Bourdieu's framework for analyses of the economic realm has also been shown in recent studies of finance markets and management consultants in France. (see Godechot 2001 referenced in Diaz-Bone 2006; Henry 2002) The proof of the pudding, however, lies arguably in the presence of field powers and autonomy. Do the actors seem to arrange themselves into neat patterns, and do they argue about a common good? It does not seem unreasonable to assume that if these characteristics are present, it matters less what the field produces, be it art, science or business expertise, in order for it to make analytical sense to apply the field concept. I would therefore argue that whether a market coincides with a field or not is largely an empirical question, rather than an outcome of the nature of its output.

3.2.1.2 The market

In the introduction, we defined markets as “social space[s] for exchange”, that is, social structures which are actively created and reproduced by the actors involved in the exchange, as well as other regulating bodies such as the state for example. (Fligstein 1996) Thus, market structures are likely to be influenced both by endogenous coordination and exogenous regulation, which one is more dominant depending on the specificities of that particular market. (Möllering 2009) On professional service markets, which may often also be seen as occupational labour markets if viewed from a labour market perspective, uncertainty would stem from several sources – workers

find it hard knowing exactly what the employers require, and if they meet these requirements, and the employer is uncertain whether a specific candidate possesses these skills. Endogenous coordination on such a market may then be achieved either by institutionalised norms, such as formalized education or clearly defined roles, or through for example restricting access to the market, or by using intermediaries. (Baumann 2002) As competition increases on a labour market, employers will find themselves increasingly overwhelmed with applicants, and may thus turn to informal recruiting as a way in which to reduce the number of applicants that are seriously considered. Informal recruiting presents barriers in terms of information requirements and need for personal relations, which effectively decreases the number of candidates. (Fevre 1989) Markets which rely primarily on informal selection processes thus put high demands on information-sharing structures such as social networks, as can be seen by the incessant gossiping and information exchange at close to every social encounter, whether in the canteen or at a party, that may be observed in for example the theatre. (Eikhof and Haunschild 2006) Indeed, creating, maintaining and extending these networks seems to be a prerequisite rather than optional for freelancers, at least in creative industries, if they want to continue working. (Randle and Culkin 2009)

This more sociologically grounded view on markets differs somewhat from the standard economic models, which focus more explicitly on the coordination and pricing functions of markets. (Beckert 2007) The price, or rather the value of a service, however, does not necessarily have to be in

monetary terms. Although this is certainly the most common, it may also use some other currency. In well-known study of the emergence of the market for life insurances, which put a price on life, Viviana Zelizer (1978) shows how, in order to be possible to price, the asset at hand (life, in this case), had to be translated into something else (proof that you cared about your family in case you should die) which was thought more feasible to discuss the value of. Neither does a market have to be driven by profit, although it again is most common that it is. Functionally, the market solves the problem of distribution in society, which may be performed by the state (with redistribution as its underlying logic), networks (with reciprocity as their underlying logic) or markets (with exchange as their underlying logic). (Swedberg 2007 p 17) Furthermore, it is not likely that anyone would adhere solely to one or the other logic, and so one might envision a market for a specific good, ruled by exchange, which also harbours a social network with the purpose of sharing information, governed by reciprocity. Keeping the discussion on logics of action in the previous section on trust in mind, the idea of different logics active in the same social space is of course familiar.

Furthermore, in the classic economic model of markets, where it is supposed that buyers and seller do foremost orient themselves towards each other, the – if buyers are plentiful and sellers scarce, sellers raise their prices, if sellers offer different prices, buyers gather to the cheapest one. However, it would seem that this model is somewhat simplistic – real life market actors are more likely to regard themselves in relation to others of

their kind, rather than to their exchange partners. Sellers on a market are therefore more likely to keep an eye on other sellers, and position themselves in relation to them. Thus, it is in relationship to other service providers that sellers are able to create a market identity, a position for themselves, rather than in relation to their buyers. (White 1981) If markets are regarded thus, then the mechanisms of markets and fields converge in this aspect. The attractiveness of your offer, and the price you are able to demand, is thus largely dependent on your status on the market, which, if the market is situated in a field, is likely to converge with your position in the field. A service provider is not free to choose what they would like to offer their clients, rather, what they are able to offer depends on which position they hold – low status actors are able to provide a certain type of services, and high status actors another kind, and both positions are as limiting. (Podolny 1993) Having said that, this does not imply that all status levels are equally good – providing high-status services is not only more lucrative, but also likely be more effective in further enhancing the status of the seller. In field terms, those who already hold an advantageous position in the field are also better equipped to gather further field-specific capital, and thus to confirm and enhance their already high position. This is known as the Matthew Effect, after the book of Matthew, where it is somewhat pessimistically said that “for unto everyone that hath shall be given, and he shall have abundance, but from him that hath not shall be taken away even what he hath”.(Merton 1968) The effect was first observed by Merton with regards to the field of science, but holds equally true for many markets, not least in creative industries. (Faulkner and Anderson 1987; Podolny 1993)

3.2.1.3 Status, position and identity

What constitutes status, then? It might be defined as the market's evaluation of what the actor has been able to contribute so far, but also the value of your market relationships. (Podolny and Phillips 1996) Status thus adds a temporal dimension to the embeddedness of market exchange and trust creation, for it represents the sedimentation of your past and present actions on the market, which are partly manifested in the relations you have – high-status actors will be able to have relationships with others of their kind, while low-status actors will find forming bonds to high-status actors more difficult, which causes the division and periphery we discussed earlier in this chapter. Status differs from reputation in that status denotes a person's position in the field, whereas reputation is widely shared information about that person – the two concepts are interrelated, but not synonymous. (Jones 2002)

If we return to the field framework, and the notion of status or position in this context, the position an actor will hold in a field will be determined by the capital they possess – foremost the field-specific capital, but there are also other assets that might be valuable, such as social capital, which we will return to shortly. Cultural capital is symbolic capital which has been objectified, or in other ways been made constant, and has thereby become field independent – a family name, a diploma, titles, institutions, etc. Such resources remain with an actor regardless of what field they place themselves in – however, they are not likely to retain their value, since a diploma for example is likely to vary in value, or symbolic capital, depending on the evaluation of each particular field. The distinction is important, for it means

that in a field where the dominant, recognised capital has not been reified, social networks become all the more important. If your resources are fleeting, and exist only in the social world, they must constantly be held in people's living memory, or else they will vaporise. Therefore, the control over the institutions which have the means to transfix symbolic capital into cultural (for example an academy, distributing prizes) is a means of power, and something which the dominant agents will seek to attain. Being rich in cultural capital usually means being well-informed, knowing about what matters and what does not. An agent who is well-endowed with cultural capital is thus well aware of the different possibilities that reside in the field, what career options are possible and which are not (Bourdieu and Passeron 1979 p 12-17) – they have an appropriate habitus given the field they are in (ibid, p 22). Returning to Luhmann (1979), this position may also be understood in terms of social identity, which Luhmann argues requires the assistance and co-operation of others, if it is to be attained and sustained. Through networked reputation and third-party-trust (Burt and Knez 1996; Glückler and Armbrüster 2003), social identity, defined by the relevant attributes assigned to us collectively by the groups we are a part of, may be upheld. Although the individual very likely has their own understanding of how they perceive their social identity and position in the field, it is important to note that it is collectively determined. If I think that I am at the top of the field but no-one else thinks so, I cannot hold a position near the elite regardless. (Bromley 1993 p 59-60) This collective dimension also brings results in a certain level of ambiguity as how the social identity of a specific actor should be defined, but if in terms of position in the field, it is the actors'

resources in terms of capital that determines their position, which will be dependent on how the field values the resources they possess.

Identity is however not equal to position, but rather the combination of your position and the skills you are perceived as having. It therefore becomes an important tool when competing on a market, since in order to be successful and gain projects, you need to be able to demonstrate firstly that you belong to the category the buyer is looking for (and of course, in order to do so, know what category they are looking for, which we will discuss more fully below when we turn to the role of networks), and secondly that you are the most suitable of the candidates within that category. When skills are hard to discern, such as in the case of professional services with their high level of knowledge intensity, buyers may solve this by reverting to typecasting when hiring someone they do not have a personal tie with, conflating what you *do* with what you *can* do. The choice will then be based on how the candidate is perceived by others, who the candidate is affiliated with and their track record. (Zuckerman et al. 2003) In such cases, signalling becomes important so as to convince buyers that you are suited for the job, for example, prior choice of projects conveys who you are, acclaim and reputation signals how good you are, and who you have worked with signals who would want to associate with you. (Jones 2002)

The selection process in the market will then mainly be based on the identification (and signalling) of skills, as opposed to having ties to the right people. In other words, market structure becomes more important than social

networks – whether this will be the case, however, depends on the individual market. If exchange often takes place between actors who do not share a tie, then typecasting is more likely. Typecasting also requires skills to be perceived as bundled into categories and these categories as separate. So, for example, being a good comedian is seen as requiring different skills to being a good classical actor, and furthermore any one individual is not considered likely to have both sets of skills. The categorization of skills into neat and separate bundles reflects the dominant beliefs on the market as to what skills are important, and furthermore how they are distributed, and creates a need for distinct identities. By accumulating credits into a reputation, service providers are able to become a personage rather than just a person, thereby finding a niche in the population of buyers and sellers. (Faulkner and Anderson 1987) On a market where typecasting is prevalent, a paradox of identity ensues: on the one hand, it is advantageous to be perceived as a generalist, because then you will seem like an appropriate candidate for many different types of projects. However, a generalist runs the risk of being perceived as a dilettante lacking in specialist skills. A generalist identity may therefore be perceived as no identity, especially if your profile presents a bad fit with market categories and the prevalent norms of how skills are normally clustered. On the other hand, being a specialist is advantageous because you will appear distinct and easily understandable; buyers find it easy to understand who you are, and what you would be suitable for. The downside is of course that the specialist becomes too narrow, and that there in effect are too few projects available that fit your profile. Especially in creative industries, where there is an imperative of innovation, there is

also the very real risk that the audience becomes bored, if they feel that they get to see the same thing over and over. It will obviously be more difficult to present something new over time, if you consequently work within the same speciality. There is an old saying in the industry that “You’re only as good as your last job”, which arguably stems from this constant demand to present something new and innovative, which to some extent may counteract the otherwise considerable advantage of age and experience. (Bielby and Bielby 1999)

In the beginning of a career, typecasting may be helpful, as it may help you to overcome barriers to entry. For a newcomer, it helps if they are seen as distinct and recognisable in their capabilities. In the long run, however, typecasting risks becoming limiting, as the risk of being seen as repeating yourself increases the longer you stay at it. The risk of appearing a dilettante is presumably also higher for newcomers, than for those who have a longer track record. Therefore, being typecast is a good way in, but in the long run will hamper you and even risks turning you out of business. (Zuckerman et al. 2003) A suggested solution to this dilemma is “optimal distinctiveness”, a phenomenon observed amongst high-profile auteur film directors, such as Pedro Almodóvar or Lars von Trier, as a way of solving the market’s paradoxical demand for both isomorphism, to work in a recognisable manner, conforming to industry norms so as to seem trustworthy, and innovation and creativity, being able to offer something with no-one has made before. Successful directors in this category manage to strike a balance here, appearing just creative and different enough, while toeing the line when it

comes to other aspects of filmmaking. (Alvarez et al. 2005) It seems not to farfetched to assume that this tacit knowledge of where to push the envelope and where to toe the line is part of the doxa, and thus linked to the position and habitus of the actor in question.

A special case of typecasting is that of being part of high status or low status projects, i.e. e being part of the industry's core or periphery. While one would perhaps expect a natural progression from core to periphery, or, in field terms, from the bottom to the top of the field, research suggests that this is not always the case. There may instead be a tendency to give people more of the same, meaning that those that start out in low status projects get offered more work in the same line, while those starting out in high status project continue their career there. Core players seem not to look for new people in the periphery, and thus a career begun in the periphery often stays there, and vice versa. (Jones 2002) This becomes all the more important since it is in effect the core that often attracts a lot of the work available, at least in creative industries, while careers in the periphery tend to be both shorter and more uncertain. (Faulkner and Anderson 1987; Jones and Walsh 1997) Why this lack of movement between core and periphery appears may be due to several reasons, but generally it would seem reasonable to assume that it is because of lack of interaction between core and periphery, which means that neither social networks nor symbolic capital can be accrued in the periphery, without which entrance into the core is barred. The individual project's core and periphery, however, have somewhat different functions: in a high-status project, being at the project's core

provides the organizational context to achieve results that help build your reputation. In the periphery, the project is a site for training and gaining access to the core of the industry, by slowly beginning to assemble a network and thereby creating a name for yourself. Access to the core of the industry requires being seen as an insider. In other words, as was discussed above, having the right habitus and sufficient capital. This can to some extent be achieved by “hanging out” in the right areas – however, in order to be able to do so, you need access to them, hence the importance of physically being in the right place, where you can learn and get to know people. The way to the core of the industry is therefore in many cases not the core of peripheral projects, but moreover the periphery of core projects. (Grabher 2002)

The importance of connections on markets means that market exchange will have two levels of content: manifest, in that services are exchanged for money, but also latent, in that others will observe the exchange, and thus the status of one exchange partner will be transferred to the other. (Podolny and Phillips 1996) Having clients and colleagues in high-status positions therefore plays a decisive role in acquiring more high-status work, for by being referred by a high-status actor in the market, they transfer their status level to you, which in itself serves to reduce uncertainty on the buyer’s behalf – if you were not to do a good job, you would dishonour your high-status connection, and thus lose esteem not only with the client, but also with those that recommended you. (Kim 2009) In a study of the Hollywood film industry, a similar argument is made, in that a position, determined by your status in the market, might be defined as “a location in a

particular social structure” (Baker and Faulkner 1991 p 281), whether field or market. The position you hold then determines what role you will be able to play, what is possible and what expectations other actors within the social structure will have on you. (Baker and Faulkner 1991) Between the constraints of the position and the possibilities of the role thus lies the room of possibilities for the actor, which was addressed earlier on a more micro level in our account of trust, but which we will now look at from a more macro level, returning to Bourdieu’s theory of the field.

3.2.1.4 *Habitus*

The embeddedness of social networks does on one hand restrict the actors within the structure, as the context so to speak sets the rules for the form and function of the network, on the other hand, this restriction should not be regarded in deterministic terms, for there will still remain an element of freedom of action for the thus embedded actors. In other word, in order to form a proper understanding of the mechanics of a network, the actors it contains must neither be regarded as under- nor oversocialised (Granovetter 1985). How this balance is struck between the determinism of the structure and the freedom of the actors within it might be understood in terms of the notions of field and habitus (Bourdieu 1990; Bourdieu 2000; Florian 2006; Hillebrandt 1999). Your position and the capital you possess is closely linked to the *habitus*, which denotes an incorporated system of dispositions that allows people to act, think and orient themselves in the social space they are in, the incorporated values of the field you are familiar with (Broady 1990 p 225) - that gut feeling that tells you what to do or not to do, what to say or not so say in a given situation, and what should be con-

sidered good or bad taste. What emotions are acceptable and appropriate to display, and which would seem reasonable courses of action. In short, what actions, emotions and thoughts that seem reasonable to you in a given situation. The habitus is the result of all the experiences the individual has been through, beginning with their schooling and upbringing, continuing with other experiences that we go through, which becomes ingrained in us and is thus not easily changed. This does not mean that it is absolutely stable, but rather that it is slow to change, and that it requires a lot of social energy to do so. Bourdieu gives the example of Henri Murger, the simple tailor's son, who ventured into Paris at the end of the 19th century with the ambition of becoming a poet and joining the literary ranks. While certainly not impossible, it is nevertheless an arduous journey, for our hapless tailor's son is likely to get everything slightly wrong. His avant-garde poetry does not break the rules of tradition in the right way but are perceived as bourgeoisie and traditional, he admires the wrong people and has not read the right books, and he does not have the quite right friends and connections. After ten years of hard work in poverty, which break his health, he has not accomplished more than a meagre living for himself in the countryside. Compare this with his contemporary Baudelaire, who plays the part of avant-garde perfectly, choosing everything from his provocations to his publisher so that they are just right. Is this simply caused by Baudelaire's superior talent and intelligence?

No, Bourdieu argues, if we confine ourselves to the explanation of "gift" or "brilliance", then we have in reality stopped halfway in our analysis.

(Bourdieu and Passeron 1979 p 22) Both Baudelaire and Murger act in accordance to their habitus, their incorporated habits and values. Although it may superficially seem as though they both have the same possibilities and choices of action, for all practical purposes this is not the case. They do not perceive the same things as possible, and so the farmer's son would have been highly unlikely to write *Le Fleurs du Mal* – it would have appeared as a possibility for him, just as little as Baudelaire would have considered writing *Scènes de la Vie de Bohème* (Bourdieu 2000). Now, it might seem like a long way from Baudelaire in 19th century France to present time management consultants and theatre directors, but I would argue that this step is smaller than it may seem.

The habitus is the social order that we carry with us at all times, it provides us with a room of possibilities, i.e. e determines what we see as reasonable courses of action and reaction in a given situation. And so, every time we react to others, we recreate that incorporated structure, thus causing this structure to reproduce itself. This does not mean that man is to be seen as an automaton, mindlessly reproducing the structures you inhabit. Rather than dictate, it provides the means for practice – the habitus is thus both “structuring structure” and “structured structure”, providing the nexus where agency and structure may interact, a “capacity for structured improvisation”. (Postone, LiPuma and Calhoun 1993 p 4) Denoting the incorporated social order that we carry with us at all times, the habitus provides us with a room of possibilities, i.e., determines what we see as reasonable and honorable courses of action and reactions in a given situation.

Hence every time we react to others, we recreate that incorporated structure, thus causing the structure to reproduce itself. However, it is important to note that the habitus is not deterministic – there is always an element of uncertainty in the structure due to “the fact that the agents, no matter how strictly necessity is inscribed in their position, always dispose over an objective margin of freedom” (Bourdieu 2000 p 345). It is important that we do not dispose of the agent as a practical constructor of reality – the habitus provides possible strategies, not strict rules. What Bourdieu (2000) rather interestingly points to is that there might be an *illusion* of determinism when you look back on a particular course of action. Given the objective structure and the specific resources an agent in a particular position possesses, in hindsight it might seem as though there was really only one course of action, which (1) seemed like a reasonable thing to do and (2) allowed maximal use of the resources at hand. In other words, structure and agency, in collaboration, create the one *reasonable* thing to do – thus, the apparent determinism. However, it is important to note the “apparent” before determinism, in such a case, for it is only created in hindsight.

Furthermore, as it is formed by our experiences, the habitus is cumulative and will change depending on what experiences and environments we go through. Thus, everyone has their own habitus, formed by the experiences and assets that individual has had – though of course persons with similar backgrounds are likely to have a similar habitus (Bourdieu and Passeron 1979). Furthermore, all habitus are not valued the same – the evaluation on what is deemed valuable in the field. Everyone has a sense of taste, but in

order to make the right choices, you have to have the right sense. The habitus thus functions as the intermediary between the set structure of the field and the bounded autonomy of the individual, in that it provides you with a room of possibilities. As Torbjörn Säfve succinctly puts it: “True, you may do what you want, but to *want* anything that is possible is not within our powers” (Säfve, quoted in Broady 2000p 9). For all practical purposes, your freedom of action is limited to those courses of action given by your room of possibilities. Thus, although the son of a plumber in theory has the same chance of gaining access to a prestigious art college as the daughter of an actress, in practice, he is far less likely to perceive this as a real possibility.

3.2.1.5 The network

The importance of relationships for your position and thereby your possibilities on the market was touched upon above, but we will now look upon the issue of networks more carefully, thereby providing the final concept which is needed to understand the mechanisms influencing the market actors. In our account of the different kinds of capital distinguished by Bourdieu, we have so far left out social capital. Social capital is of course a term widely used, but in Bourdieu’s conceptualisation, it denotes the resources you can summon through your connections, what the people you can call upon are able to fix for you and tell you - your social clout, to put it somewhat crudely. If you are well-connected, you are more likely to be able to access the information you need, and furthermore summon the resources that are needed in a given situation. The implication of a field where symbolic capital is not consolidated but instead more fleeting, consisting of for example information, taste or values, is that social capital is

likely to increase in importance. In a market context, this implies that the more uncertain the market is, the more likely that the actors within in will find themselves relying foremost on social structures, in other words, on relationships that have already been established, especially if the status system is not functioning.

In other words, on stable markets, especially if they coincide with fields, actors can rely on positions to inform themselves about others on the market, if this is not available (no field present, and market unstable), then personal relationships will gain importance. (Haunschild 1994; Podolny 1994) Furthermore, in turbulent times where demands for flexibility are high (such as now, arguably), the economy is more likely to take on the quality of networks, rather than stable organizations – which we find in the case of professional services, for example. (Koza and Lewin 1999) Stable demand and uncertain supply tends to lead to vertical integration, whereas the opposite, uncertain demand and stable supply, will cause firms to disaggregate, so as not to be stuck with expensive personnel when demand changes. (Jones, Hesterly and Borgatti 1997) The latter is often the case with occupational labour markets, markets for skilled labour which reconcile a demand for expertise with high variability in this demand, which are consequently often organised as project networks rather than stable organizations offering long-term employment (Baumann 2002)

In trust terms, if system trust is not available, then actors will have to rely solely on interpersonal trust. The more stable the market, the less the struc-

ture will be influenced by what particular actor holds a certain position, for on such a market, relationships will to a large degree be determined by position. On unstable markets, relationships are more determined by who a market actor is, rather than what position he holds. (Baker, Faulkner and Fisher 1998) Most real markets will have elements of both, the actors neither wholly relationship-oriented, nor completely structure-oriented, but rather a hybrid of the two, employing both relationships and structure to inform themselves about the market. (Baker 1990)

Granovetter's (2005) studies of networks point to three distinct qualities of networks, as they affect economic transactions and the functions of markets. Firstly, the denser the network, the more likely it is that norms will be able to be upheld within the network, as deviant behaviour is more likely to be discovered and punished. Networks thereby serve to enforce norms, as deviant actors may be sanctioned with exclusion. (Davenport 2006) This in turn will lead to the discouragement of free riding, which in turn will promote trust.

Secondly, weak ties are often more important than strong ties when it comes to providing information – in other words, your acquaintances will often provide more novel information than your close friends. The reason for this is simple: your close friends, although trusting and willing to help, are likely to move in the same circles as you are, and thus they will not be able to provide you with much novel information. (Granovetter 1973) This circumstance may be taken advantage of by those who are positioned as the

only link between two cliques: by being in a “structural hole” (Burt 1992), they increase their importance and influence. Arguably, this is especially important in industries where careers are boundaryless, as this increases the need for information access in order to secure your next project. (Raider and Burt 1996) Furthermore, in a competitive environment, such as the markets studied here, reports on other agents’ behaviour run the risk of being tainted with the self-interest of the reporter, making industry gossip informative but ultimately unreliable. In order to assess the reliability of the information received, you therefore also need some information about the reporter – hence the value of information accessed through weak ties (about whom the receiver has a certain amount of knowledge), rather than anonymous gossip where the source cannot be identified. (Marsden 2004) This need for reliability however also makes the relationship between weak and strong ties a little more complex, than perhaps suggested by Granovetter and Burt, for while weak ties may well be able to give you access to unique information, this information may due to lack in trust be of a more trivial nature. Stronger ties, on the other hand, where there is more trust, might therefore ultimately provide more useful information, since what you learn through them might be more insightful as regards to your own position and needs, and also be more extensive than what weak links provide. (Levin and Cross 2004)

However, in the light of the function of relationships discussed above – not only as providers of information, but also as status markers, the implication of “the more the better” when it comes to relationships should be qualified

– being situated in a structural hole in the network may well provide you with unique information, but if the clique you are connected to is lower in status than yourself, this beneficial effect will be counteracted by the detrimental effect on your position that connections to lower-status groups will have. On markets where the status system is fully developed, therefore, especially high-status actors are therefore likely to be parsimonious in their choices to form relationships with others, preferring those with equal or higher status than themselves. (Podolny 1994) Since relationships also serve as status markers, they are therefore not likely to be random, but rather aligned in concordance to the structure of the field and/or market. (Baker 1990)

Thirdly, and most importantly, social networks are embedded, in that economic transactions cannot be understood in purely economic terms, but rather influenced or even determined by norm systems and culture. (Granovetter 1985) However, the network perspective is arguably not a conclusive framework. It has been criticised for neither providing sufficient explanation for the interaction between agent and structure, nor giving a satisfying account for how the perceived alternatives of action are constructed for the agents. (Florian 2006 p 80-81) In order to explain this, it might be fruitful to return once again to Bourdieu. (Blair 2009)

In the context of fields, an interesting application of Bourdieu defines a network relation as “a horizontal relationship built on mutual personal trust” (Hasselberg, Müller and Stenlås 2002 p 18). Such a network shares

functions both with organizations (which we will return to in the following) and markets, in that it enables exchange, exclusion and loyalty/inclusion. This exchange may primarily be of information, but other resources may also be traded. This also illustrates the difference between social networks and social capital - if your friends are fine enough, knowing them will become an asset in terms of symbolic capital, the status effect that was discussed earlier. Social capital is thus an asset, whereas a network simply is a collection of connections (which may or may not be valuable). If I know a farmer in Turkey, he is part of my social network, but this connection gives me no social capital in the fields of artistic production. (Broady 2002 p 58)

A social network presupposes trust in order to be maintained, for the members have to trust that the information they share with each other will not be spread to the wrong people, or used against them. Therefore, a network requires a high level of trust in order to function. (Creed and Miles 1996) Such trust, Luhmann (1979) argues, is created by acts of reciprocity, through which the trust is deepened. The trust in these networks is thus not different by nature from the trust between commissioner and freelancer. Rather, each instance of exchange might be regarded as a leap of faith, and the network as a whole the result of many such leaps of faith made in the past.

The focus of this study, being trusted with a theatre production or a consulting project, may therefore be regarded as a close up of one of the transactions and leaps of faith which over time sediment to a network, where not only commissions, but also information and other resources such as

status may be exchanged. It also reminds us that any specific action or event takes place in at least two dimensions (field and inter-individual), and oftentimes three (within an organization as well). Depending on from which aspect we regard the event, it has repercussions on all of these levels.

3.2.1.6 Information and silence

These networks, valuable as they are, tend to be closed to newcomers, who first have to prove themselves trustworthy and useful, before they can gain entrance. This has two reasons: firstly, because they need to prove that they can be trusted with valuable information, and secondly, because they need to show that they can offer equally valuable information in return, in addition to the parsimony resulting from the effect relationships have on status. Gaining access to the network therefore requires substantial investments. Thus, in a study of the Minnesota Mycological Society, a mushroom-picking association, newcomers tell of how when they first entered the society, everyone was very polite – and then they waited. Waited for the newcomers to prove their interest and knowledge, before they were regarded as full members, and allowed to completely cross the organizational boundary. (Fine and Holyfield 1996) This function of inclusion/exclusion is further helped by the creation of network-specific codes for what one may or may not say. (Hasselberg, Müller and Stenlås 2002 p 20) In the case of the Minnesota Mycological Society, this included asking directly for good spots where one might find rare mushrooms, in the theatre, it may be expressing the wrong taste or asking how one should go about to gain entrance into the network. Incorporating such codes would of course form your habitus, so one might also express this slow process of becoming a full member in

terms of habitus taking time to adjust, and that the prospective new member needs to prove s/he has the stamina to wait in the wings until they have been able to incorporate the codes. (Gunneriusson 2002 p 36)

This parsimony of information also points to the flipside of networks ripe with information, namely that voice in networks also requires and causes silence – one cannot hold if it were not for the other. In recent years, there has been an increase in interest for silence in organizational contexts, studying both causes and consequences of not speaking up, which in turn furthers our understanding of voice. (c f Morrison and Milliken 2000; Van Dyne, Ang and Botero 2003) In concordance with Milliken and Morrison (2003), most research has focused on a certain type of silence, that which “is the manifestation of a hesitation to speak up about an issue that is of some importance to the individual but that seems risky to speak about in their organizational or institutional context” (ibid, p 1564). In this study, I propose a somewhat wider definition of silence, seeing it rather as “negative space” (Ward and Winstanley 2003), the things not talked about in a specific situation: “how the characters present in a dialog are speaking in their “not” speaking, to examine what is intentionally or unintentionally left out” (Mazzei 2003 p 356) Silence thus has inherent a certain ambiguity, as it may have different causes and serve different purposes depending on the situation and characters involved. (Bonshek 2008) Furthermore, as silence presents us with less information than voice, it is therefore also harder to interpret, and harder to catch sight of: studying the not said is to some extent

studying the void, hence silence as negative space. (Van Dyne, Ang and Bortero 2003; Ward and Winstanley 2003)

It follows, then, that silence, although often having the effect of stifling innovation, creativity and change, as the field will not be able to make use of all the knowledge that its members have if they do not voice it (Morrison and Milliken 2000), is not unanimously detrimental, but may also serve more beneficial purposes. Furthermore, while it may often be the case, silence is not only caused by fear, but may also have other sources. Van Dyne et al (2003) point to three possible bases for silence, namely resignation, fear and co-operation. Furthermore, these bases may, depending on person and context, give rise to both silence and voice: the employee who is afraid that providing certain information will have detrimental effects for themselves, may either turn quiet, or use voice to steer the conversation to less dangerous topics – in both instances, silence is however the result, whether explicit or implicit. Fear then is based on a belief that if I do say something about certain matters, I will be penalised – therefore, for my own good, I should better keep quiet. This belief may be caused by distrust in management, based on previous interactions (Milliken, Morrison and Hewlin 2003; Vakola and Bouradas 2005), or on a perception of the norms in the field or network, and what is permitted to talk about and not. (Bowen and Blackmon 2003; Ward and Winstanley 2003)

Silence based on co-operation, on the other hand, has a completely different cause and consequence, as it pertains withholding information not be-

cause it would harm yourself to give voice to it, but because it would harm others, or the organization as a whole. This prosocial silence is akin to what Niklas Luhmann (1979) terms tact, which is intertwined with trust. Being trusted means being given the possibility to harm, and it is tact that prevents the trustee from exercising this possibility. Seemingly altruistic, tact in closely-knit networks such as the one studied in this paper also may serve self-interest: “when the participants are both living in a system which is familiar to both, and so requires no further information about it but tacitly provides an everyday basis for mutual understanding. In such circumstances the participants know that they are bound to encounter one another again, and that they are bound to become dependent on one another in situations which cannot be exactly foreseeable, and which sometimes favour one of them, and sometimes the other.” (Luhmann 1979 p 36) Silence based on tact thus serves as a social lubricant, a safeguard that makes interaction and sharing information less risky: “Thus perceptive tact as a foundation of trust makes possible a reasonably frictionless control of social contact, a way around embarrassment and personal sensitivities, an avoidance of breakdowns or emotional reactions which get out of control, and moreover, a greater reliability and durability of interaction as a building block for larger, complex, social systems.” (Luhmann 1979 p 68) Therefore, both strong and weak ties are ultimately important for gathering information, since they would serve different purposes – weak ties provide a wider variety of information, while strong ties, where trust plays a more important role, will be more likely to give access to more sensitive information and resources (Elfring and Hulsink 2003).

I would also like to point to a fourth base for silence, a reoccurring notion in this framework, namely reciprocity. In contexts where information is valuable, it is not likely to be shared freely. Rather, getting access to information is something earned slowly, since it will only be offered to those that have something to offer in return, as was discussed above. (Fine and Holyfield 1996) This system of reciprocity also ensures that only those that will have the tact not to pass the information given to them unwisely will receive it, as you have to build a reputation, and learn the norms of the field so as to ask in the right way about the right issues. Being trusted with information, and showing that you are able both to honour and return that trust, is one fundamental way in which the relations that the network consists of are created and upheld. (Milliken, Morrison and Hewlin 2003) Therefore, a contact does not necessarily mean a network relation in a reciprocal information-sharing sense. A newcomer may have contact with many other actors, but this contact is often occasional and incidental, not the result of solid ties, and as a consequence, source of little information. As a result, you may be remote even if situated in the middle of a project within a high-status organization, if you have no strong the relations – on the other hand, being in such a place may of course be a way in which to start building such relationships for the future. (Jones 1996a)

This brings us to another aspect of silence, namely that its bases are often intertwined – it may be fear of being seen as a telltale that makes someone keep quiet, or it may be tact, knowing that others would come to harm if I

spoke up, or it may be reciprocity, knowing that the person I am talking to has nothing to offer in return. In everyday life, these sources are likely to be partial rather than sole explanations of silence, and it is their interplay which in any given situation results in silence. (Fletcher and Watson 2007)

3.2.1.7 Networks and position

We are then finally able to return to the role of relationships and network connections in a structured social space, be it a stable market (as was discussed before) or an autonomous field, this time from a field rather than a market perspective. One agent on a field can only have so many connections, and thus the higher ranked the agent (and thus the more valuable the capital that he possesses), the more likely is he to want to make sure that his network holds the same standard status-wise as himself, as we have seen above. The effect may be seen at social events such as opening night at the theatre, where people take equal care to be seen talking with the right people and to avoid low-status colleagues. (Eikhof and Haunschild 2006) In other words, you would want to know as influential people as you are able to, and we thus have returned to the impact of the status system and field forces on market relationships. In order to attain an understanding, and thereby trust to freely share information, members in a network tend to be similar in values and experiences, which also means that you have to acquire the right values, and make the right experiences before you can connect yourself to the information highway, so to speak (Gunneriusson 2002). In most uncertain markets, social networks will play a key role, as they are able to alleviate information deficiency about the other party - typically, neither buyer nor seller on a professional service market will initially have enough information

about the other party to properly assess them, but with the help of their social network and the information gained from this, they might fill in the gaps, so to speak. The consequence of this value of the social network will mean that the more well connected your contacts are, the more likely they are to be able to provide you with useful information on upcoming commissions. Thus, moving around is likely to make you more valuable connection-wise to your own contacts (Granovetter 2005).

As a consequence, having been around (or having been in a position where many pass by) and thus having gathered connections, is likely to make you more worth knowing, and thus increase your attractiveness on the connections-market, so to speak. In order to hold a position on the field, one thus requires (at least) two kinds of capital: symbolic capital (which will give you a certain position) and social capital (which will give you access to information). While these two forms of capital are related, conclusive research on the issue has been perceived as lacking. (Chudzikowski and Mayrhofer 2011) A seemingly plausible suggestion is that one is able to generate the other: if you have plenty of symbolic capital and a resulting high position, people will want to include you in their network, seeming as you have something to offer, and if you have access to network, you will be able to mobilise the resources you need to accrue more symbolic capital and improve your position in the field. (Gunneriusson 2002) Even if employment is temporal, relationships are enduring, as through them you can access other skilled workers, gain more experience, and thereby form more working relationships, thus, the sum of relationships and the sum of skills, and as a consequence

your position in the field and symbolic capital will be strengthened over time. Over time, you will build a reputation, which may be described as the sedimentation of past actions as they are known by the network within which the interaction took place, a form of collective memory if you will (Podolny 1994). However, although both forms of capital, social and symbolic, are therefore important, they do not hold equal legitimacy, especially if the field is autonomous. In such case, only the symbolic capital is legitimate, and if a network is too efficient, its exchanges may be interpreted as signs of corruption. For example, academic positions should ostentatiously be given solely on the basis of academic merits, not as part and parcel of a social exchange system within a privileged network. Therefore, even if active networking is in effect required, actively and deliberately pursuing contacts that you wish to include in your network, it may not be spoken about in such blunt and direct terms, actors describing that they go after certain people out of artistic interest or affinity, rather than saying that they pursue those in high positions that it would be advantageous to know. (Blair 2009) How legitimate active networking is largely depends on the prevailing norms of the market – in an autonomous field, it might not be *comme il faut*, lest one wants to be perceived as an eager beaver careerist. That active networking is not legitimate does however not imply that it is not done or even required, however, only that it may not be spoken about openly in terms of career advancement. Rather, a renowned actor choosing to work in a low-paid project because it gives him the chance to break free from typecasting, or work with interesting partners, will be explained in terms of artistic curi-

osity and development, rather than status- or network enhancement. (cf Haunschild and Eikhof 2009)

Thus, although networks are vital as information sources on uncertain markets, and there are undeniable advantages of being widely connected, there are also several forces present which serve to restrict networks, both in field and market terms, and call for parsimony of relationships – because information is scarce and valuable, and because relationships serve as status markers and symbolic capital. Arguably, the nature of the market uncertainty will determine whether a diverse network will be beneficial or not – if it is a question of egocentric uncertainty (i.e. e I am uncertain about the market), then being situated in as many structural holes as possible may be beneficial. If I am uninformed about the market, it also means that I am not likely to be part of the field, if present, and thus any information will help in incorporating the appropriate habitus and claiming a position on the field. If, on the other hand, it is a question foremost of altercentric uncertainty (i.e. e the market is uncertain about me), then I am better served by parsimony in the relationships I have, since they will be used as a source of information on my status in the field. (Podolny 2001) Depending on my own position, the capital I have acquired and the incorporated knowledge I have, therefore, relationships will have somewhat different primary purposes. Recent studies of service markets dominated by freelancers, such as the ones studied here, suggests that networks do indeed serve dual purposes, both as a means of competitive advantage in controlling information and acquisition of sym-

bolic capital, and as a means of conveying norms, sharing tips and tricks, and in other respects attenuating competition.

Two different types of networks, serving different purposes, may be distinguished: open networks, with little barriers to entry and where the members are not know all other members, and closed networks, where the members do know each other, and where access is limited. Open networks make use of the advantage of weak ties, and primarily serve to convey job market information, while closed networks, act as a support function (such as a friend lending a shoulder to cry on) and will create and uphold norms and a sense of community. In practice, however, this distinction is rarely as clear-cut, networks may change from one type to the other, and a particular network may both serve to convey information and to reproduce norms (Antcliff, Saundry and Stuart 2007). Since these networks are an intrinsic part of the markets, they are not likely to be static, but rather fluid, as new members enter and others exit, and some gain in status while others lose – in short, their dynamic nature mirrors the constant struggles in the field.(Blair 2009) Some studies even suggest that open networks in practice have little significance even as information channels, which may be due to restrictions put on networks concerning silence and the value of information, as was discussed above. (Randle and Culkin 2009) Similarly, the boundaries between private and working life often becomes blurred, to the extent that many theatre workers, for example, have almost all their private friends within the industry. (Eikhof and Haunschild 2006) One reason for this being that the social-

ising necessary for networking reason, and the demands of the job itself, leave little time for anything else. (Jones 1996a)

From a buyer's perspective, networks and reputations will also serve to solve another problem, namely that of selecting from an overwhelming number of possible candidates, which are furthermore difficult to evaluate beforehand due to the nature and knowledge intensity of the service they provide. Reputation systems will help to provide the information needed, and also it safeguard against opportunism, as everyone will know that their reputation is at stake if their performance is substandard. (Baumann 2002) The more difficult it is to assess skills, the more important reputation becomes, and thereby also the networks that sustain them. (Bielby and Bielby 1999) Networks will also serve as a barrier to entry, especially on informal markets, thus reducing competition and in effect the number of candidates to chose from. (Dex et al. 2000) Markets denoted by a high level of uncertainty, where the task at hand is complex, and time is of the essence, creates high demands for project members to be able to work together efficiently and with successful results with a minimum of preparation, so as to ascertain that the project will be successful rather than becoming a black spot on everyone's résumé. (Blair, Grey and Randle 1998) One way of achieving this is to rely not so much on what is widely known, public reputation so to speak, but your own personal experience, or the experience of someone you have a strong tie to, the latter having the advantage of giving access to more market actors than when restricting yourself to those you have had personal experience of working with. (Baumann 2002; Glückler and Arm-

brüster 2003) This information is likely to be more accurate, which creates a penchant for repeat work, choosing those who you have worked with previously again and again. Thereby the temporariness of the projects is overruled by enduring relationships, creating stable elements in volatile markets. (Faulkner and Anderson 1987) The stronger impact these connections have, the more relationship-driven the market becomes, rather than depending primarily on the perceived skills and experience you bring to the market. Close working relationships then become a prerequisite to gain employment, which also means that those that have long-standing working relationships may afford to make occasional mistakes given that they generally do good work, as the trust that has been built up is not so easily eradicated (cf the notion of trust being “sticky” in the previous chapter). Occasional mistakes, mind you, for the employer is not likely to have infinite patience with poor performance. A first-timer, however, must perform up to standard, or else run the risk of being dismissed as generally incompetent. (Blair 2001)

A second strategy so as to decrease the difficulties of choosing is to assemble teams in advance – in other words, not leave it to the buyer to assemble the team one person at a time, but rather offer a package of people, which may then be supplemented by the buyer with either in-house staff, or additional external resources. (Bielby and Bielby 1999) This is quite common in the film industry, where freelancing has long been the norm and teams typically consist of between 20 and 50 different professions, each with their own requirements, but is becoming more common in other creative indus-

tries as well. As for other professional services – arguably, a small consulting company is just that, a pre-assembled team of workers.

To sum up, in the two cases studied here, all three systems of market, field and network might have an influence on the market actors. Depending on the market, social networks (who do you know?) or market structure (who are you?) may be more important as a selection mechanism – more often than not, however, both aspects will be of importance, and furthermore they will often be interrelated, regardless of which of them is dominant. In this section, I have attempted to show how these aspects are interlinked, each approach being able to explain certain aspects of market interaction.

3.2.2 The meso level

- Or maybe my life is really fine... maybe Joe loves me and I'm only crazy thinking otherwise. Or maybe not. Maybe it's even worse than I know. Maybe I want to know, maybe I don't. The suspense, Mr. Lies, it's killing me.

- The price of rootlessness, motion sickness. Only cure, keep moving.

Tony Kushner: Angels in America

The macro level, as we have seen, houses large and to some extent open-ended structures like markets, networks and fields, which the actors within these social spaces must relate to. In relation to such larger structures and individuals, organizations present a meso level. On the macro level, organizations often appear as actors, sharing many characteristics with individuals,

such as position, status and reputation. However, organizations are of course not individuals, and it would be wrong to regard them as such, but rather set social structures, which actors on a market must relate to, in the same manner as networks and fields. In this, organizations share some characteristics of individuals, and some of larger social structures, which makes them a meso construct in this context, and causes us to regard them separately, aside from both individuals and more macro social structures.

3.2.2.1 Organizations as flux

While organizations are often described as entities, it might be argued that it would be more accurate to describe them in terms of processes, as continuous flows of organizing rather than stable organizations, in other words. Thus, the natural state of organizations is flux, rather than stability and structure (Weick 1979 p 44). Consequently, it is stability rather than change that needs to be explained, if we regard organizations as “sites of continuously changing human action.” (Tsoukas and Chia 2002) Organizing then becomes a constant flow of improvisation, of tinkering and adaptation to actions and changed circumstances within and outside the organization. This approach would correspond with what Van de Ven and Poole (2005) term a “strong” process approach, which presumes that the world is composed of processes. If we understand and interpret it as stable entities, it is a result of our map-making, rather than of the state of the world itself, Weick (1979) suggests, for it is fundamentally a verb, not a noun – a process, not an entity. In recent research, this image has become somewhat more nuanced: rather than seeing process and entity as mutually exclusive viewpoint, one might regard the two concepts as dimension cut from the same

cloth. (Bakken and Hernes 2006; Whitehead 1920). While reality may constitute a process, it is unknowable other than on an intuitive level in that form, and thus our understanding of these processes is by necessity in terms of entities. Rather than there being a tension between process and entity views on organizations, the verb and then noun are inextricably inter-linked, since our understanding of reality determines our actions, which in turn creates the process of reality. One creates the condition for the other in a seamless, continuous movement that makes them dependant on each other. Organizations have both dimensions: the spatial suggested by the noun, the entity, and the temporal suggested by the verb, the process. (Bakken and Hernes 2006)

Now, the reader might ask why, if they are in such a permanent state of flux and change, organizations nevertheless often appear as stable and predictable? After all, there are organizational structures, both formal and informal, that seem stable enough, and even resistant rather than embracing of change. However, this stability is to some extent illusory, for it is the result of organising rather than the natural state of affairs. Indeed, the main purpose of organising is to put a halt or at least channel this immanent flux, to make it less ambiguous and less liquid, and thereby easier to handle. Immobility is not the natural state that any structure will return to after making the effort of change, but rather the result of the skilled effort to temporarily put a halt to the continuous flow of change, of “arresting, stabilizing and simplifying what would otherwise be the irreducibly dynamic and complex character of lived-experience” (Chia 1999 p 224). The stable organization

may therefore be compared to the stillness of a tight-rope dancer, who may appear stable and non-moving on his rope. Take a closer look, and you will discover that this stillness requires constant effort – in fact, it would probably take less concentration and action to move, to tumble down from the rope, but by constantly readjusting his posture, he is able to stay still. If he appears stable, it is because he is constantly correcting his imbalance. (Bateson 1979 p 65) Similarly, the stable organization is the result of the constant correction of the imbalances within the organization. Thus, organizations, like skilled tight-rope dancers, are likely to appear as more stable than they actually are. (Tsoukas and Chia 2002)

3.2.2.2 Organizational boundaries

This balancing and compensating forms the core of organizing – reducing fluxus and uncertainty, which calls back to Luhmann’s view on organizations and other systems as essentially systems for the reduction of complexity and uncertainty. Therefore, maintaining a boundary towards the outside world becomes one of the main tasks of the organization, for it is it only by creating a separation between itself and the field or market where it is situated that the organization will be able to observe and act upon its environment. Organizational boundaries are therefore not so much closure that screens off an organization from its context and influences, but rather make this environment more visible, as actors are able to regard them from within the organization, identify inputs and changes, and act in accordance. (Hernes and Bakken 2003) The organization then, as a social system, serves the dual purposes of creating distinctions between what is their realm and what is not, and then within these boundaries process constant inputs for

change. (Seidl and Becker 2006) Upholding these boundaries requires constant construction and reconstruction, and without this work, the organization would dissolve. By creating these boundaries, and regarding their context through them, organizations are able to act not as isolated but rather as interacting systems.

An understanding of boundaries presupposes an understanding of organization – depending on what the nature and purpose of organizations is perceived to be, the notion of boundaries is apt to follow suit. Santos and Eisenhardt (2005) propose that there are essentially four different ideas in the literature as to how boundaries may be understood in the literature, depending on what they are seen to set the limits of: efficiency, power, competence and identity. From an efficiency perspective, boundaries are set to determine what should be done outside, and what should be done inside the organization, in order to maximize efficiency and thereby minimize cost. If on the other hand power is seen as the central mechanism of organization, then boundaries determine the organizations sphere of influence, the domains that the organization has power over. Organizations may also be regarded as foremost sites of competence – then, boundaries represent the demarcation of the resources possessed by the organization. Finally, if organizations are seen as primarily social orders, where a shared mind-set and collective frames of reference and sensemaking provide a shared identity and idea of “who-we-are”, then organizational boundaries set the limits to this coherence of identity. This latter perspective borrows from psychoanalysis to form an understanding of organizations as emerging primarily as

an outcome of collective projections. They are then given collective meaning through a dense network of intra-personal relations, which enables set frames of reference and interpretation. Artifacts and physical objects aside, the meaning made of an organization therefore stems from the collective and individual fantasies and emotions of its participants. (Diamond, Allcorn and Stein 2004) This view on organizing and boundaries to some extent echoes a narrative approach, where this phenomenon may be described in terms of hegemonic storytelling, which creates a dominant story and thereby limits the sensemaking possibilities of an organization. (Brown 2006; Humphreys and Brown 2002)

Thus, it follows that if we change our understanding of organizations, boundaries will also take on a different meaning. From a process perspective, boundaries consequently take on a somewhat different meaning. From this perspective, boundaries are primarily created in order to define and distinguish – an order which is far from innate but rather the result of laborious processes of discursive construction. (Thanem 2006) Boundaries therefore not only distinguish between inside and outside, but in effect make up the essence of organization, for they circumscribe the flux of organizing so as to enable and distinguish the organization from its environment. If organizations are seen as ever-changing, process-based and polyphonic, then boundaries are essential to uphold them.

A first step in this direction is taken by Hernes (2004), who proposes that organizational boundaries may be seen to have two basic dimensions: the

nature and the function of the boundary. As could be surmised from the four perspectives presented above, it could be argued that previous research has tended to focus on the function rather than the nature of boundaries. However, if one is to understand how boundaries are able to be simultaneously stable and permeable, then the latter dimension is arguably more illuminating. Hernes argues that maintaining a boundary towards the outside world becomes one of the main tasks of the organization, for it is only by creating a separation between itself and the field or market where it is situated that it will be able to observe and act upon its environment. Organizational boundaries are therefore not so much closure that screens off an organization from its context and influences, but rather make this environment more visible, as actors are able to regard them from within the organization, identify inputs and changes, and act in accordance. (Hernes and Bakken 2003) The organization then, as a social system, serves the dual purposes of creating distinctions between what is their realm and what is not, and then within these boundaries process constant inputs for change. (Seidl and Becker 2006) Upholding these boundaries requires constant construction and reconstruction, and without this work, the organization would dissolve. By creating these boundaries, and regarding their context through them, organizations are able to act not as interacting rather than isolated systems.

Moreover, it is really a case of *boundaries*, the plural, rather than a single boundary. Three primary types of boundary, which circumscribe organizations, may be distinguished: mental, social and physical boundaries.(Hernes

2004) The mental boundary is akin to the understanding of organization as social order described above, for it demarcates shared ideas and concepts. In other words, collective frames of sensemaking and the limits of hegemonic narratives. Social boundaries demarcate the limits of identity, loyalty and social bonding, i.e. e the boundaries of the social network which may or, perhaps more likely, may not coincide with mental and physical boundaries of the organization.(Kitay and Wright 2004) These norms of behaviour may of course also be understood in terms of the field logic discussed earlier, albeit more locally constructed. Physical boundaries, lastly, relate to formal inclusion in the organization, a boundary crossed by the outsider as they step into the organization and temporarily become part of it. Physical boundaries also have a very literal meaning in the physical structures that surround the organization, the building where it is situated, and which creates a space for interaction. This becomes especially important for freelancers, as they normally do not have permanent access to these spaces, which are nevertheless important arenas for gossip and exchange of news and information, about that particular organization, and about the industry as a whole. (Pratt 2009)

However, they are intrinsic to organization, serving triple purposes of ordering devices, creating a social space within which a certain norm intensity may be upheld, of distinction, whereby the organization is able to set itself apart from its environment, and thirdly of thresholds, which makes organizations more or less permeable. The higher the threshold, the more difficult to gain entrance, and also the less malleable and subject to influences the

organization will become. Bearing in mind the different dimensions of organizational boundaries, this means for example that an organization which takes on board a large number of freelancers, i.e. e has a low threshold for physical boundaries may not necessarily also have a low social threshold – in this case, the result would be an organization where people are happily invited in, but where it then takes considerable time and effort to form the loyalty and bonds necessary to also cross the social boundaries. (Hernes 2004)

Within the relative seclusion of these boundaries, then, organizing activities may take place. Weick (1979) distinguishes between three main process of this flow of organizing, namely enactment, selection and retention. Selection, in that we can only see what we believe: armed with hammers, we realise that the world is made out of nails, and once you form a belief of how organizations function, you will be able to see events that are in concordance with that belief. Enactment, in that the subjects and events that the actors within the organization come across are labelled and thereby understood. Of course, this labelling is rarely unequivocal, and so, in order to reduce uncertainty, organizations tend to interpret new events in concordance to existing structures and norms. These processes of selection and enactment then sediment, and becomes the basis for selecting and enacting future events. In this sense, the past as well as the future is inherent in the now of an organization, as the past events form the mind frame which create the possibilities for the future.

As the reader will have noticed, the process described here is not dissimilar to the formation of habitus for the individual, as the organization incorporates the experiences it goes through and lets them settle to become structures. Thus, “phenomena, things, situations, events often betray the rich and sometimes dark histories and accidental turns that have brought them into being.” (Chia 1999 p 221) In this sedimentation or retention, not all labelled events and actions are allowed to have the same influence on our interpretative schemes. Some are kept and seen as true, others doubted and discredited. Those that are allowed to sediment form the basis for organizational routines, but these will consequently not be stable patterns of behaviour, but rather flows of interconnected ideas and actions, which although they provide stability also provide the seeds for change. (Feldman 2000) Together, these processes form a loop, as the result of one process becomes the condition for the next, resulting in Heraclitus well-known statement that one cannot enter step into the same river twice – the next time you intend to make the same action within an organization, it will have changed, as a result of your previous actions, and a myriad of other actions that altogether constantly construct and reconstruct the organization. (Weick 1979) The organization may therefore be understood as a system of interlocked and interdependent processes, which enable, restrict and form the basis for each other. Affect one, and the others will also be affected. So, for example, if a theatre decides to give the go-ahead to one production, this will affect all the other possible productions in the house, partly because it means that certain resources (both in terms of money and people) will not be available for other projects, and partly because putting on for

example Chekhov's *Three Sisters* changes the conditions for the next production: should it be contrasted with a modern Swedish play, or should we perhaps make this Russian season and make Turgenev our second production? Similarly, if a company decides to go ahead with a costly trainee programme, this changes conditions for other possible consulting projects. However, the process of retention means that although change is imminent, not all change or impetus for change will gain momentum. To break out of the loop of re-enactment, new processes of enactment and selection must be created, otherwise the result is likely to be more of the same – the tight-rope dancer stays put, does not fall off his rope, but neither does he move forward. What inputs eventually will make the tight-rope dancer move we may not be able to predict, but this does not mean that his movements are totally unpredictable. The chance lies in *what* event will have an impact, not *if* some event will eventually have an impact. (Weick 1979, p 121) Arguably, regarding the trust against this backdrop suggests that the leap of faith may be seen as the change that gained momentum. In making the leap of faith, agency may be exercised to create transformation rather than iteration, if we hark back to our previous discussion for a moment. Trust thus becomes one possible engine with the help of which the tight-rope dancer may gain momentum, and take one step forward in his intended direction. The process of organizing thus, in same way as agency on the individual level, holds both the potential for change and for stability – both alternatives require action, however, whether the event creates a deviation-amplifying process that ends up changing ways of action and interpretation within the organization, or it fails to gain momentum and is counter-

acted by the constant re-balancing of the organization. If an organization appears as stable and unchanging, it is because it is apt at rebalancing, rather than not being subject to immanent change. Whether such aptness exists depends to a large degree on the discursive template of the organization, the interpretative codes and discourses available to interpret events. In other words, what the room of possibilities looks like. It takes considerable effort to make the world predictable, in the same manner that it takes considerable effort to create a field and uphold the value of different kinds of capital within it. By creating boundaries, and thereby providing a space for organising, organizations provide an arena both for the development of structure and institutions and for transformational agency. (Tsoukas & Chia 2002) The sensemaking process of turning the flow of reality to an abstract entity, entities that will always be in state of becoming rather than being because they are continuously constructed and re-constructed, not only stabilises but also holds the potential of creativity, as entities may be changed or created anew. (Bakken & Hernes 2006)

So where does this impetus for change come from? If we regard the organization as a single unity, set in a context of stable structures, it may seem somewhat questionable where all this immanent change would come from. However, as was suggested from the account of interlocking and interdependent process made above, organizations do rarely form a unity. While these processes are not completely disjointed, but rather influence and restrict each other, they are nevertheless not uniform. (Tsoukas & Chia 2002) If we regard the specific projects that are the focus of this study, which we

may now conceptualise in terms of change processes that manage to gain momentum and to some extent realize the transformational potential of agency, we find that although the decision whether to employ a specific service provider or not in most cases rests with one person, ultimately, this does not mean that his or her opinion is the only one that matters. There are also others that may hold an influence, who they will interact with at some stage of the process. Since the service on offer is collaborative in nature, the people who will be involved in the project itself are likely to be influential. Furthermore, there may be others in the organization, while not directly involved in the project, nevertheless will have an influence on what projects are given the go-ahead and who will be employed to carry them out. That is, like other processes in the organization, the process of staging a specific project will be interlocked and intertwined with other processes, and thus the actors involved in those processes, as well as the project itself, will have an influence on whether it will gain momentum, depending on how they interpret and label it. As is illustrated in Figure 1 above, the trustee and trustor are not the only actors within the organization, or, for that matter, the only ones with a voice. Now, there will of course also be actors and voices outside the organization, in the field, but due to the boundaries created by the organizations, these voices will often not have the same magnitude. It be then that they are standing just outside the boundary, waiting to be included in a project if it is given the go-ahead, or so closely bound by networks to actors within the organization that their voices transcend the organizational boundary. This view on organizational reality suggests less a monolithic, uniform view on organizations than one which

makes its inhabitants visible, and turns our eyes to their impact on the processes within the organizations.

Borrowing from literary criticism, it is suggested that Mikhail Bakhtin's notion of polyphony might be fruitful in order to highlight this aspect of organising. (Hazen 1993; Bakhtin 1971) The metaphor of the polyphonic organization, borrowed from music, suggests that organizations are polyphonic and fragmented, presenting conflicting stories rather than a unified, univocal whole, and has in recent times come to be used more frequently in organization studies. (Belova, King and Sliwa 2008; Buchanan 2003) Bakhtin brings up the idea of a polyphony of voices from his study of Dostoyevsky's novels. He argues that rather than presenting the novel through the voice of the author, the characters only seen through the eyes of the author, and with his view on them superimposed over their utterances and characterisations, Dostoyevsky presents a completely novel way of artistic thinking, where the characters are allowed to speak unhindered, without the author passing judgement on them or their views. They are allowed to speak within their own right, each given equal voice and dignity. The result is the end of the monological, homophonic novel, and in its place the creation of its polyphonic counterpart. It is in this plethora of voices, Bakhtin argues, that Dostoyevsky's main contribution to literature lies: "the multiplicity of independent and undiluted voices and consciousnesses, the true polyphony of equally valid voices" (Bakhtin, 1971, p 10). The result, of course, is an increase in ambiguity – rather than being able to envelop his characters in the uniform and seemingly objective view of the

author, his novels present “a plethora of equal consciousnesses, each with their own world”.(ibid) Even the story’s heroes do not present a more valid view than anyone else: rather, it turns out to be their downfall that they are too caught up in their own consciousness, which distorts their view on the world and causes them to choose unwise courses of action. They fail to engage in dialogue, and thus their ability to make sense of the world is hampered. Similarly to the view on organizations presented above, there is in Bakhtin’s view no final word, no final meaning that may be ascribed to an event, but rather a continuous process of interaction and sensemaking, which always holds the potential for change. (Hazen 1993)

In organizational studies, the notion of polyphony has given rise to two separate streams of analysis: the first seeking to fulfil Bakhtin’s ideal of polyphony in academic writing, giving equal space for all voices, rather than imposing the researchers’ interpretation of them. The other strand sees the polyphonic organization as an analytic tool, regarding the studied organizations as polyphonic. (Belova, King & Sliwa 2008) It is this latter use of the term that will be employed in this study, whereby the organizing processes described above might therefore be understood as a continuous process of polyphonic dialogue. It follows then that organizational practice becomes multi-centered, non-linear and intersubjective, and that the sensemaking process as described by Weick is not univocal, leading to one common interpretation for the whole organization, but rather to a multitude of interpretations. However, unlike in Dostoyevsky’s novels, all voices are rarely allowed the same space in an organization. Rather, there is a constant strug-

gle about which voices will be given more space, and which voices will echo unheard, becoming shadow stories. Thus, the result will be some voices that emerge victorious, turning into official discourse, while others are marginalized. (Boje 1991)

Thus, it is only from the outside, that an organization may appear as a seamless, unified whole, as one is often not able to see through the boundary created around it. This unity is illusory, for upon crossing the boundary and entering the organization, it will dissolve into fractions, internal players and conflicting interests (Fincham 1999). Due to the nature of organizational boundaries, this crossing is not likely to be made in one stride – rather, it is likely to be the result of a process of varying length, as physical and social boundaries are overcome, the difficulty depending on to what extent they function as a threshold. Once entered, the organization turns into a number of people, each with their own agenda, taste, ambition, and so on. The project worker thus needs to be aware of this plurality in the client organization, correctly interpret the social game at hand, and act in accordance to this knowledge, both in order to win the client's trust initially, and in order to be able to deliver the service requested in collaboration with the client organization (Ariño, de la Torre and Smith Ring 2001; Vlaar, Van den Bosch and Volberda 2006b). Finding your way in the organization, determining who is who and who has a say in what, thus becomes an essential part of the consultant's or director's professional skills. The dual interest of any member of an organization to act in a way that is beneficial for themselves and/or for the organization will have an impact on how they act, and

if one wishes to reach a certain outcome, the newcomer needs to both be aware and act on this knowledge. Doing so in a polyphonic organization requires access to and an ear for the many voices within it. However, herein lies a potential problem for the external service provider, for as was discussed earlier, you need to have overcome the organizational boundary in order to hear all the voices within it, but this crossing will not be possible to make unless you already have a commission. Returning to the voices that make out the polyphony, however, it would seem that one person does not necessarily equate one voice. Rather, voices may be regarded as repertoires, serving different purposes and carrying different weight.

In a development of Bakhtin's ideal of polyphony, it has been suggested that polyphony might not always function as directly as it is to be found in Dostoyevsky's novels. In an analysis of modernist and post-modernist examples, Masayuki Teranishi (2008) shows that polyphony may be shown indirectly, through the use of unreliable narrators and focalization. In other words, even if there is a scarcity of persons being heard, such as when the story is being primarily told by a narrator, more voices may still be accessed. An unreliable narrator gives room not only to his or her own voice, but also allows the careful listener access to other voices, and thus shadow voices may become visible through the cracks in the narrator's account of events.

Further clues might be given by knowledge of the field, for the field level and the context given by it will also have an impact on how the polyphonic process emerges in a particular organization. While the result in the shape

of which voices emerge as victorious depends on the outcome of the clashes and interferences in a specific organization, these struggles take place against the backdrop of the field. Depending on the capital that they have accumulated and the positions they hold, different actors are likely to be variously successful in this struggle. A further impact of the field dimension lies in its institutions, for depending on how institutionalised the industry is and thus isomorphic the organizational structures, the internal structure of the client organization will be more or less predictable (DiMaggio and Powell 1983). In the theatre, possibly as a consequence of the frequency and institutionalisation of freelancers, which calls for a high level of predictability, there is a high level of structural isomorphism. Virtually all theatres have the same organizational structure, where set positions play a predesigned part in the decisions of who will be contracted. In consulting, by contrast, organizational structures among clients are much more diverse. This partly follows from the consultants moving between different industries, with different norms and institutions, but also that not all industries will be as institutionalised as the theatre. The consultant's client organizations are much less adjusted to freelancers, and therefore more difficult to predict in terms of organizational structure.

3.2.3 The micro level

The micro level is the final of our three levels of analysis, and different from the others in that it does not evolve around social structures primarily, but on personal interaction. To some extent, we arrive at the close up that, when aggregated, creates and reproduces structures such as networks that we have discussed in previous parts of this chapter. While personal interac-

tion thus makes up the main building blocks of these larger social structure, the focus in this section will not be on interaction in general, but moreover the specific situation of interaction between buyer and seller, between the exchange partners on the buyer side and the seller, and how we might understand this interaction in the light of previous research. To some extent, we have already touched upon this in previous parts of this chapter – partly because some phenomenon, like the habitus, transcends these analytical levels, and connects macro level structures with micro level perception and space for action, and partly because trust, as studied here, is a micro level phenomenon, and so part of what happens on the micro level has already been discussed in the beginning of this chapter.

It is on the micro level that the leap of faith takes place, as the trustor, drawing on his or her interpretation of the trustee and the current situation, combined with an expectation of the likely outcome, decides to either dare the leap or not. As discussed earlier, the leap represents the emotional aspect of trust, while interpretation and expectation are largely cognitive processes. In this section, we will therefore take a closer look at cognition in terms of the sensemaking process behind interpretation and expectation, and furthermore take a closer look at what happens at the interindividual level in terms of creating bonds and improvising action. While the focus here thus is on what happens in the “small world”, this is not to imply that these events are independent from the organizations, field forces, reputations and status systems that we have seen earlier, as these will permeate

personal interaction, and to a large extent provide the frames for what is reasonable and not to do.

3.2.3.1 *Creating bonds through sensemaking*

In one sense, the metaphor of trust as a leap of faith bridging uncertainty may give a somewhat erroneous image of the trust creating process, for it gives the impression that in this process, the trustee is passive, and all the agency lies with the trustor. When studying such situations empirically, it becomes obvious that it is a process where both parties are involved, at least if both desire the leap of faith to happen. Trust in practice is thus an interactional phenomenon, and furthermore one which it is critical for practitioners in knowledge-intensive services to grasp, since the development of trust is critical to their possibilities for boundary-spanning interaction and exchange.

As was pointed out already in the introduction, creating trust is to a large extent a process of sensemaking, through which small cues are gathered, so as to collectively form the basis for an evaluation of the situation. (Adobor 2005) Through sensemaking, organizations, or more specifically their members, are able to bring order into the flux of organizing, since it allows them to order and label the stream of experience. It thus describes how people use the understanding they have gathered from the past as a way to interpret the present, and possibly, if it leads to trust, as a way of extending that understanding to make predictions and assumptions about the future. (Olsen 2011) The sensemaking process has, in one of the classics of organization studies, been described as having seven properties. (Weick 1995)

These are: identification (who you think you are in relation to your context), retrospection (harking back to previous experiences to interpret the present) enactment (by formulating to others and ourselves what is happening, we understand what we see), social (in that the cognitive frames that are used are created in interaction with others, and in turn influences their sensemaking processes), ongoing (in that sensemaking is part of our stream of consciousness, rather than discrete, conscious acts of will), cue-seeking (that we look for cues in the context to try and understand what it is that we see, and make it familiar), and finally plausibility (that we prefer what seems plausible to what is necessarily accurate). It is important to note that the labels and cognitive frames employed in this process are thus socially defined, and hence stem from the social context of the individual, and their previous interaction with others. (Weick, Sutcliffe and Obstfeld 2005) Therefore, for an interpretation of an event to appear plausible, this interpretation should cohere with what is considered already known and/or taken for granted. (Brown 2004) Thus, if there already were suspicions prior to the violation that the person in question was not to be trusted, the event of the violation is likely be given a more sinister interpretation, than if there was no such suspicion. The verisimilitude of a story, and in effect what sense can be made of events, is therefore largely determined by the cognitive frames available, and by the audience present. (Brown 2006) It should be noted that it would therefore be a misapprehension to regard sensemaking as a solely agency-driven process, for since the cognitive frames that govern what interpretations are possible to make in practice, and moreover which others will find remotely plausible, are socially con-

structured, it is much more a way of describing the interplay between structure and agency. Neither is it a process that is always explicit and conscious to those that use it – more often than not, it is ongoing, subtle, swift and taken for granted. We arrive at an interpretation without being aware of how or even that we did it, as we see a situation or event and instantaneously “know” what took place. (Weick, Sutcliffe and Obstfeld 2005) In many respects, this process is of course similar to that of the habitus, although the focus here lies more on what sense can be made of events, and less on where the frames used for this process originate, reflecting possibly in the difference of focus in a sociologically and psychologically rooted concept.

Regarding trust as a sensemaking process not only plants it firmly into its social context, the backwards-looking properties of cue-seeking and retrospection also has a further consequence, namely that trusting processes will have a tendency to continue in the same line as they begun. In other words, once an initial impression of the other party’s trustworthiness has been formed, it has a tendency to become a self-fulfilling prophecy, as our interpretation of further events is then likely to conform to what we knew already – because it seems more plausible, in light of our previous understanding. (Adobor 2005) The aspect of trust in an exchange relationship will likely form part of their psychological contract, defined as “an individual’s belief(s) in reciprocal obligations between that individual and another party”. (Rousseau 1995) The concept, first coined by Argyris (1960), and rekindled by Rousseau (1990) describes the reciprocal relationship between

employee and employer, or, as it would be in this case, service provider and client. The content of the psychological contract is the expectations the two parties in a contractual situation have of each other, and the promises they have made. In the formation of a psychological contract, two sets of factors are influential: external messages (that is, what the other party tells us, observations of how others are treated, and so on) and personal interpretations and dispositions (i.e. the framework in which we interpret these messages). (Rousseau 1995) Therefore, although the contract in itself is interpersonal, perceptions of it are subjective, and so the two parties do not necessarily have the same understanding of the contract. The psychological contract, together with the formal contract, thus determines the bond between the two parties, and the concept can be of use in forming an understanding of the precise nature of the understanding between them. As the relationship deepens, the content of the psychological contract extends. (Anderson and Schalk 1998; Isaksson 2001; Millward and Hopkins 1998)

With its expectation of reciprocity, the psychological contract is in line with Mauss' and Gouldner's theories on human actions, which were discussed earlier. However, reciprocity is necessary, but not sufficient to describe the expectations the parties have on each other. There is not only the expectation of heteromorphic reciprocity, but also emotional considerations of trust and identification. Thus, if the contract is violated, and the expectations not met, we are not just disappointed, but also likely to feel betrayed and hurt, as a consequence of the emotional aspect of the trust that forms part of the bond between the two parties. Since the content of the psycho-

logical contract is subjective, it may well be that the parties have different perceptions of what should be given the other party (as we have seen earlier, heteromorphic reciprocity is more prone to ambiguity as to whether or not the debt has been repaid), and how the relationship should proceed. Not surprisingly, perhaps, it has been shown that contracts are more often violated than not – the consequences of this may however differ. The outcome and depth of the relationship act as mediators, affecting how the violation is perceived, and how it is allowed to influence the relationship. (Robinson and Rousseau 1994; Six 2005) The effect of this influence will largely depend on the outcome of the sensemaking process following such violation, which in turn will be congruent with the sensemaking process precluding the choice to trust, as a result of the retrospective properties of sensemaking discussed earlier. By taking the sensemaking process into account, we may therefore understand why actors who initially had lower expectations of trustworthy behaviour report a greater decline in trust when their expectations are disappointed, than those whose initial expectations were higher. (Adobor 2005) It is, so to speak, an effect of the stickiness of the sensemaking process, and our tendency to interpret the present in a manner congruent to how we perceived the past, and preferring the plausible to the accurate – and what could be more plausible than that people behave how we expect them to?

Considering the sensemaking aspect of trust also informs us to why creating trust is not a process that is only determined by the trustor, with the trustee as a passive recipient (or not) of trust: although the sensemaking

process that forms the basis for the leap of faith is individual, it is done using cues and frames of references provided by the context, and hence, the presumptive trustee will also be part of this process, since he or she are a necessary part of that context. Since trust has an emotional aspect, people do not trust whom they fear, and hence reducing fear may induce trust – hence, as we saw when looking at management consultants in chapter 2, trust creation may be facilitated by forming an insightful understanding of the other, and how they perceive the situation, thereby being able to anticipate their needs and requests.(Broschak 2004) The emotional and cognitive aspects of trust have the effect that the emotional disappointment how not having your expectations met in trusting situations may be reduced by rationalization, using emotional management techniques, either to explain away what happened (surely they did not mean it like that, surely it was circumstance), or to downplay the initial emotional investment (I knew that was going to happen, I never trusted them to begin with). Since we want to avoid emotional pain, events contradictory to expectations, such as betrayal and disappointment, is therefore avoided through a sensemaking process. So much more so, as it might be argued that trust to some extent invites or at least enables deceit, since if you trust someone, you will by definition not suspect them of deceit, and thus not control or supervise them, which in turn would enable them to do exactly that.(Möllering 2008) Trust someone therefore makes the trustor vulnerable, and enables the trustee to deceive them.

Events that do not fit into the perceived pattern of trustworthiness, however, may lead to the cognitive frames being slightly altered, and so if the trustee fails yet again, their previous actions may be reinterpreted in a bleaker light. The more certain the trust, the less likely transgressions are to be interpreted as evidence of incompetence or untrustworthiness, and so it lies in the interest of the service providers to have some skills in emotional labour, strategically expressing emotion in a manner suited to elicit trust from the client. (Williams 2007) Before this leads us to believe that professional service providers are likely some sort of manipulative psychopaths, it should be noted that this emotional labour is more in terms of understanding and nudging the client towards an interpretation of events that is less deceitful, and so for example restraining from angrily pointing out to the client that failure was their own fault for being so incompetent.

3.2.3.2 *Improvising along the right lines*

If the creation of a trusting bond may be the result of personal interaction, then the interaction itself may be described in terms of instantaneously determining what response is appropriate given the situation - in other words, in terms of improvisation (Barrett and Peplowski 1998). An improvisation which, however, is within the limits of social structures within which the event is embedded – which brings us back to habitus as the “capacity for structured improvisation”(Postone et al., 1993 p 4), having previously focused on the “structured” aspect of action, we now turn to the improvisational.

In meeting the buyer, the seller needs to be able to adapt and improvise in order to present an appealing offer. This is especially true with the cases studied here, where less of a set service is offered, instead adapting its offer depending on what the client needs. While improvisation certainly requires creativity and is decided on the spur of the moment, it does not mean that it can be anything, nor that it is entirely unpredictable. The improvisation has to adhere to the “non-negotiable framework that constrains what the soloist can play” – it is not a matter of pulling notes out of thin air, but of knowing the rules well enough to play by them by heart (Barrett & Peplowski, 1998 p 558). It takes great skill and knowledge to be able to improvise in jazz, even more so perhaps than when playing a set piece, for the improviser has to create instantly, without hesitation, music that nevertheless is recognizable and appreciable as jazz. Lack that intimate knowledge and you will find yourself doing an improvisation that has nothing to do with jazz, and most likely be perceived, if not as strange, then as neither understanding nor listening. Therefore, you have to be thoroughly familiar with both the technical aspect and the conventions and norms of jazz to be able to improvise. As famous jazz bassist Charles Mingus’ describes it: “You can’t improvise on nothin’. You gotta have somethin’”. (Barrett & Peplowski, 1998 p 558) Returning to Bourdieu, it might be argued that that “somethin’” may also be described in terms of habitus. Incorporate the appropriate values and norms, based on the appropriate experiences, and this improvisation will be almost effortless. The room of possibilities that the habitus provides is also the room in which these improvisations are made, and furthermore determines how large the room for improvisation is in a

given moment – minor liberties of interpretation, or complete deviations of free improvisation? You need to grasp the “*somehin*”, while at the same time providing enough improvisation that it will appear fresh and new, and not a stale repetition of what has already been said. Somewhat paradoxical, the sensemaking process may both hamper and help the innovativeness of improvisation in a given situation: hamper, because what we say is based on what we have said before, so to speak, but also help, because the more experience we have, the more situations we can draw upon, and thus the greater variety we may be able to provide in our responses. (Weick 1998) A more exhaustive study of what jazz musicians actually do when they improvise reveals that improvisations are in fact rarely completely improvised, but rather based on pre-prepared sketch plans, which outline the features of upcoming passages. When the improvisations are then performed, musicians, as predicted by Weick, are calling on well-learned ideas from memory, a firm grasp of harmony and melody, and keeping in mind and repeating earlier sections of the song. (Norgaard 2011) Successful improvisation, it would seem, is just as much the result of careful preparation and a good memory, than of spur-of-the-moment inspiration. Not altogether surprisingly, improvisation skills have been shown to improve with training and experience. (Vera and Crossan 2004)

While the jazz metaphor is evidently useful for understanding organizational improvisation, it should however not be dragged to the extreme, as it may then limit rather than further our understanding of the topic. For example, while jazz improvisations are planned, their organizational counter-

parts are often the result of sudden, unexpected turn of events – as long as everything goes as planned, there is no need for improvisation, but if it does not, then actors must improvise whether they would like to or not. Also, organizational improvisations are usually made not as solos, but together with others – thus, they require not only playing by the rules of the situation, but also with a keen eye for the responses and reactions of the others. (Kamoche, Pina e Cunha and Vieira da Cunha 2003) Closer studies of improvisations in business settings such as negotiations stress this social aspect of improvisation and reveal that exchange partners strive towards quickly coordinating a shared logic of exchange, and then adhere to this logic throughout their interaction, a process made easier if there are pre-existing social ties between the participants. If the interaction runs into difficulties, the participants also use the same methods to get the interaction to run smoothly again, rather than improvisation. (McGinn and Keros 2002)

To summarize, it might be said that while interaction on the micro level is embedded in the structures found on the meso and macro levels, they also have some features that are found only at this level of analysis, such as the creation of personal bonds and improvisation, which are both interlinked with the processes of trust creation and sensemaking. Thus we conclude our conceptual discussion of trust creation on service markets, and return to more empirical grounds, revisiting the markets of theatre directions and management consultants in the light of the structures and social phenomena that have been presented here, in order to analyze the empirical findings of the study.

4 The first act: finding your way in the market

As we have seen, trust formation is a complex process, involving not only the exchange partners, but also other actors – those who will take part in the actual project, others within the client organization, other actors on the market, and so on. In this chapter, we will take a closer look at the structures and mechanisms found on the macro level. In the previous chapter, when the theoretical framework for the macro level was discussed, we saw how markets may function according to two general principles: if the market is stable, with status systems, signalling code, typecasting and other such mechanisms firmly in place, then social networks matter less, as it is possible for an actor to convey who they are and what skills they have through industry norms, and the market becomes structure-oriented. If, on the other hand, the market is more unstable, and general norms lacking, then individuals and their personal relationships become more important, as these links become the dominant source of information about other actors, and the market becomes relationship-oriented. While completely stable and completely unstable markets are extremes, real markets are often hybrids between these two types, where both networks and industry norms have an

impact on what market exchange becomes viable. (Baker 1990; Baker, Faulkner and Fisher 1998) However, real life markets will often tend towards one or the other, as we shall see.

We will begin our analysis of the macro level in the next section by focusing on the role and function of networks, before moving on to issues of status and identity in the next section. In the introduction, we described how two basic types of market uncertainty may be discerned: egocentric uncertainty, which is the actor's uncertainty about the market, and altercentric uncertainty, which is the market's uncertainty about the actor.(Podolny 2001) Our first section addresses the problem of egocentric uncertainty, the second that of altercentric uncertainty, and thus the two together provide fuller picture of how uncertainty is resolved at the macro level. Uncertainty thus having to some extent been accounted for, or rather, the way in which the structures addressing the problem of uncertainty function, we then in the last section of the chapter move on to the trust necessary to overcome the remaining uncertainty, and how this is attained and legitimized. In this chapter, our empirical focus will be on the theatre case, where these aspects are most salient, while consulting takes a more comparative role.

4.1 Networks, information and silence

Only connect.

E.M.Forster: Howard's End

The key to presenting a tempting suggestion for a project, as we saw in the empirical descriptions in chapter 2, is access to sufficient information, and

sufficient contacts through which to put together and present your ideas. Presenting a successful idea therefore requires access to detailed information about the manager and his or her theatre. What preferences do they have? Which kind of plays would they prefer? What actors are available, and what are their preferences? The director who knows this stands a better chance of presenting an idea for a production that seems both feasible and alluring, thereby appearing as trustworthy to the manager. In the following, we will discuss how this access to networks and information is attained, in other words, how the actors find out about the market that they find themselves in.

4.1.1 Getting information

In order to present the right idea at the right time, directors need quite detailed information on several different aspects of the theatre market. In order to form an understanding of the information required, we may turn to the managers, and how they describe an idea whose time has come, so to speak:

That depends on your preferences [...], it could be anything from the theme, or what is more suitable for a particular stage, what else we are showing, [...], it all has to come together like a jigsaw puzzle, you know.

Another manager describes the process in similar terms, making it obvious that it is rarely a case of having clear-cut prerequisites:

You follow a hunch [...] You've got your experiences, your preferences, what you like, what you think is exciting, and then you have some idea as to what'll work, what's good, quite simply. You can't always put your finger on it.

Thus, in order to present good ideas, you need to have access to information on several different areas - on specific theatres, the tastes of individuals, what else is happening on that theatre and in Swedish theatre in general. Although it is rarely explicit, most theatres have quite a strong sense of identity, based on their history and their location:

We are supposed to be a theatre for all of [city X] We should offer a wide range of stories, and modes of expression, we should have a broad, in the best sense of the word, a broad contact with our surroundings, we've got to establish those relations and that contact. And that means that we have to communicate emotions and relevance, that is, meaning, that what we do means something to the people of [X]

Most managers describe what they are looking for in terms of something “interesting”, “exciting”, “the right idea to do right now”, in other words, they know it when they see it. In order to provide such suggestions, a constant interchange of news, tidbits, gossip and ideas is necessary within the theatre, a mix of finding out what others are doing, and trying to put forward and promote your own ideas.

This exchange may take place in different venues - the canteen at a theatre, a private party for friends in the industry or an opening night all provide the opportunity to gather information which is vital to survival in the business: gossip as of who is doing what at which theatre, which manager has which preferences, and what openings there might be (Eikhof and Haunschild 2007; Haunschild and Eikhof 2005). Haunschild and Eikhof also describe how they, when attaining an opening night, could observe directors

circling around managers, and actors circling around directors, which would mirror the employment structure of the field (managers choose directors, directors are highly influential in the choice of actors). A similar phenomenon could be observed at the biennale, where the newly appointed manager to one of the larger theatres was constantly besieged by aspiring actors and directors. A person already working at the theatre in question explained the phenomenon:

You see, when you change managers, you automatically change the whole entourage as well. Then you get the friends and acquaintances of the new manager instead. It would be fun at some point to make a map of these networks, of who knows who and in what way, there is an incredible amount of connections between people.

Of course, in order to play the game at hand, you have to begin with recognising the manager-to-be, and then knowing that he will soon be manager. And that such a new position may provide new opportunities for those wishing to work at that theatre. Furthermore, since the future manager had not held a similar position before, this scrambling for new openings was accentuated. Then of course, in order to present yourself gainfully, you have to be aware of both the personal tastes and preferences of the new manager, as well as the existing position of the theatre he will lead. Thus, it is a rather intricate complex of knowledge that an aspiring artist has to master, and in order to access the full picture, you also need access to several different sources of information.

Since theatre work by nature is public and publicised, media serves as one source of information for what is happening. The advent of internet has lead to reviews and different theatre's current and upcoming repertoires being readily available at the homepages of individual theatres or newspapers – “You almost have to do it, I think. You have to.” While few directors or managers have the time to read all press, they may do so when wanting to look into a particular production, theatre or person:

When I decide that I'm interested in a production, and want to know more about it... [...] For example, I'm working quite a lot in Gothenburg right now, if they had had an opening night this weekend. Whether I had seen the play or not, I would've wanted to know what kind of impact it had had, what kind of... If I want to know what I think will happen to that production. [...] I don't check everything, the most important thing is your own impression and so on, but...

To calibrate, this is what I thought, what did they...?

Exactly. I thought this and they thought that, keep track of things, quite simply. And once I've decided, then I check the whole spectrum, we'll, what I can find on the internet. I don't go around buying newspapers.

The role of the critic is in this context somewhat problematic. While it seemed that most directors and managers were aware of what the critics had had to say about their productions, few held their opinions in high regard. In many fields, critics have a consecrating function, and while there may be some critics who are able to hold such a position in Swedish theatre, it seems the exception rather than the rule.(Hoogland 2005b) Asked about his opinion about a leading newspaper, a director responded in this somewhat vitriolic fashion:

I think it's unqualified, yeah, I think it's tendentious, politically biased, sound-bite-fied, trifling and generally of bad quality. Above all spineless, in my opinion.

While not everyone might go to such lengths, very few, if anyone at all, seemed to regard reviews as a tool for evaluation. Rather, frustration was expressed as how little the critics really understood about theatre, and consequently, little value was attached to their evaluation. A possible explanation to this double-edged attitude towards critics - apart from the obvious point that few people would enjoy having their work evaluated publically in the newspaper, and that bad reviews may evoke an antipathy towards critics in general - is that the critics, while having an impact on it, do not primarily write for the theatre, as a critic at a leading newspaper explains:

Of course we write for the readers, we always do, and especially, I would say, if it's a good production, because you write so that people will go see it. [...] To my mind, if you're reading reviews you should do it in order to find out if you want to go and see a play; you shouldn't read it to get a review of yourself.

For critics, one of the most important work ethics is to stay clear of any possible accusations of having your judgment clouded by bonds of friendship. Therefore, no critics in leading newspapers themselves work in theatre, and also in other ways make sure that their opinions are not influenced by personal relationships – to the extent that one critic explained how she had ceased socializing with an old friend, because that friend had become manager of a theatre which her newspaper often reviewed, and since it would be unfair to the readers and the theatre to avoid reviewing them, she had instead chosen to disassociate herself from her friend, in mutual agreement.

They might say hi and exchange some news about their children if they ran into each other, but apart from that, they never met or talked. Critics are thus rarely if ever taken from the cadre of theatre workers, but are either journalists with an interest for theatre, or freelance writers who may otherwise for example be researchers in theatre studies, or else have a degree in theatre studies or similar subjects. While this ethic presumably ensures uncorrupted critical evaluations, the flip side is that critics, since not included in the networks of the theatre, are rarely able to be knowledgeable about the field norms, the doxa. Being journalists at heart, they have the wrong habitus from a theatre worker's perspective, and lack in necessary capital to have the position where their ability to pass judgment would be acknowledged by others in the field of theatre, even if the critics themselves do aspire to some extent to write not only for the audience but also for the development of theatre as an art form:

It doesn't benefit the theatre if you're kind to bad plays, it benefits from being knowledgeable and liking theatre, and it also benefits if people find out what is good, and go there.

Theatre workers thus find themselves in a position where someone whose judgment they do not accept nevertheless has the position of publically passing judgment on their work, and furthermore through that judgment have an impact on how attractive that work will be to the audience. While the audience's opinion may not matter as such, it does matter whether they come or not, since no theatre will want or be able to play to an empty house.

Media, then, is used on two levels for information gathering: random survey-like collection of information, so as to keep updated on what is currently happening in the theatre – who is opening this weekend, how did it go? - and directed research into areas/theatres/people you might be working with in the future. This research may be done with varying levels of consciousness, more explicitly perhaps if you are new in the game, and by old habit if you have been at it longer. Also, the longer you have worked, the more you already know, and so the need for this kind of information gathering might decline. In any case, it is rare that such information seeking is seen purely in terms as a way of optimizing job search – rather, it is done out of a general interest in theatre, and curiosity as to what is currently happening there. By contrast, consultants are more adamant about information-gathering about prospective clients being purely for business reasons, rather than personal interest – which may well reflect not an actual difference in the purpose of getting information, but rather a difference in what is perceived as legitimate reasons for action in an artistic field such as the theatre and the more business-oriented world of management consulting.

However, media aside, the most important source of information is clearly personal communication. It is also a source that might give access to more detailed and possibly sensitive inside information, which, as not everyone will have access to it, may well prove more advantageous than those things everyone can read in the paper. As a consequence, the theatre might almost be likened to a gigantic beehive, with continuous talks, exchanges and discussions, which together uphold the structures of the field as a whole, and

keep the actors in the field informed. An example for how this network may function may be given by the following excerpt from the Facebook-page of a playwright (Facebook is used by many theatre workers, especially in the younger generation: many have extensive lists of friends, and use Facebook partly for work purposes):

[Playwright] looking for actor [X]. If you know him, let him know.

2 September, 18:47

[Young actress] likes this.

[Successful actor]

He's at [Theatre Y], isn't he?

2 September, 19:07

[Manager at theatre Y]

yes

2 September, 20:02

[Freelance actor currently working at theatre Y]

I'll see him tomorrow evening, do you want his number?

2 September, 22:50

[Playwright]

[Freelance actor]: Yes, that'd be great!

3 September, 16:04

[Freelance actor]

073-xx xxx xx

3 September, 17:12

[Playwright]

Thanks!

3 September, 23:03

As can be seen in this example, networks are often used and indeed necessary to locate theatre workers – as actors, at least those that are more well known, are often public figures, simply looking them up in the phone book is rarely an option. Agents are rarely, if ever, used in Swedish theatre, presumably because the market is too small and the money too little to sustain a system of agents. Directors may not be as publically known, but they very rarely have professional homepages, or any similar easy-to-find way of contacting them. Instead, personal connections are the preferred and indeed almost only way of locating people. Which people in the industry are certainly not unaware of, as one manager explains:

It almost sounds like you've got an internal library of all directors in Sweden?

**Holds up her mobile phone* Here! Here is the whole Swedish theatre industry, in this little white apparatus. *laughs* Of course I have an internal library, of set designers, directors, playwrights and actors. You've got to have that, that's what you're working with. And then it's fun too, you can see that here is a connection forming, and there we may deepening that relationship.*

4.1.2 Climbing the social ladder

However, not all exchange of information is about locating people in order to contact them – much more frequent is presumably the simple exchange of information. Such exchange may take the form of quite trivial gossip, as was evident at the Swedish Theatre Biennale, an industry event which might also be described in terms of a gigantic beehive, with theatre workers from all over the country meeting up and exchanging news. One might even argue that one of the main reasons people take part in the Biennale at all is in

order to be seen, establish new and rejuvenate old contacts, sometimes less openly, but just as often quite frankly, as this exchange between an actress and a manager at a regional theatre following a seminar they both took part in demonstrates:

Actress: I would really like to come to your theatre, you have such an interesting way of working. I'm an actress, of course, but I write too. I've written [play X] and [plan Y], and a novel, that has been published by Norstedts, [mentions title]

Manager: You'll have to send me an email about that, I've got such a bad memory.

A: Absolutely.

he gives her his business card and walks away

A: Yes, I suppose I should get cards really, it looks so much more professional.

As can be seen from this exchange, the observation may also be made that, as we saw earlier in chapter 2, these networks do indeed seem to serve dual purposes, both the exchange of information, and the reproduction of norms and status order. From the exchange above, it is quite evident that the manager holds a stronger position than the freelance actress (who in this case is established and reasonably successful, regularly playing leads albeit not a household name) – her flattery is not reciprocated, and he makes it apparent that she is not important enough that he would keep her in mind without being reminded by an e-mail. Her not having a card also goes to show that as of yet, the business side of a freelance-based market has not yet become norm – amongst the consultants that were interviewed for this study, none lacked a business card. On the other hand, since she reflects that she probably ought to, one may make the interpretation that this is a

norm that is about to change in the theatre. The status aspect of information exchange becomes even more visible in the following exchange, taking place between a successful actor-turned-director, and a considerably less successful actress when they met by chance in a café:

Actress: *Hi!*

Director: *Hi!*

A: *You've just had your opening night?*

D: *Yes, with [play X].*

A: *Fun?*

D: *Yes, it was, actually. Where are you now?*

A: *At [small regional theatre].*

D: *Yeah, I've worked there once.*

A: *Oh, when was that?*

D: *I did part of my training there, and then I got my first job there after graduating.*

A: *As an actor?*

D: *Yes.*

A: *But now you only direct?*

D: *Yeah. You've got a new manager as well?*

A: *Christ, yes. [they chat about this] [The previous manager] I think he felt that was done there, he wanted to quit while he was still at the top.*

D: *What are you doing next?*

A: *Well, I do have work, I'm working as a clown in hospitals, but I would like to do a bit more acting now, we'll see. What are you going to do?*

D: *I'm directing at [opera house].*

A: *Oh, you're directing again, that's great.*

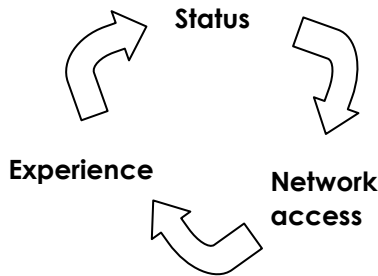
This exchange may seem trivial enough, it is probable that the actress and director are casual acquaintances rather than close friends, and it is a type of exchange that most likely is quite common when theatre workers exchange information. If we take a closer look at the conversation, however, it is also quite revealing, in terms of the double function of reproducing status order

and exchanging information. It is the actress who starts off the conversation, and it is her that first enquires about what the director is doing. She responds twice by saying that his projects sound fun, while he offers little encouragement in that direction as to her work – not perhaps altogether surprising, as working as a hospital clown is hardly high-status acting work. It is also apparent that for her, the small regional theatre is her best alternative amongst her present work opportunities, while that theatre for him was a place where he started off in the beginning of his career, but which he has now left for bigger theatres in larger cities. This difference in status is also reflected in the information they have to offer each other: apart from an update on his own situation, he offers her little in the way of new information. She, on the other hand, provides some insight into the recent goings-on at the theatre where she is currently working. In this respect, lack of status is compensated by more information, which, if this pattern is repeated often enough, will lead to those in higher positions having more information, and thus being able to make better informed and thereby more suitable suggestions, than those in lower positions.

It is in this context that we will attempt an understanding of the social networks that the theatre directors are connected to, and upon which they depend for the information they need in order to gain commissions. As was discussed earlier, I use Gunneriusson et al's understanding of social networks in this context, seen as based on trust and reciprocal exchange (for an investigation of the relationship between trust and reciprocity, see Serva, Fuller and Mayer 2005) Gunneriusson (2002) argues that in a context where

networks are important, two kinds of capital will be able to provide status and advancement in the field: on the one hand your social capital, on the other your symbolic capital (your experience, your reputation or “name” in the industry, your diplomas). These two kinds of capital are interdependent: one provides the opportunity for the other, as may be illustrated in figure 4 below:

Figure 4: The spiral of status



In other words, access to networks allows you to get work, through that experience you will be able to rise in status, and with higher status, others will be more interested to work with you and share information with you, which then leads to more work coming your way, and so on. Without connections, there is no chance of gaining experience and work, and through experience and work, you gain more contacts. The more capital you accumulate, and the more status you gain in the field, the more other actors within the field are likely to want to get to know you. Social and symbolic capital thus forms a spiral, and together forms the basis with the help of which you may entice the trust of the managers. In other words, we might regard this an example of the Matthew effect, i.e. e, “unto everyone that hath shall be given, and he shall have abundance”.(Merton 1968), which is

perhaps not the fairest principle of distribution, but not less frequent in fields where skills and quality are hard to evaluate and discern. One young director tells of how she got one of her first projects, and was able to gain the trust of the manager:

It was the same with [large summer theatre], when we had a project that we had been working with for a while at the time, which was supposed to have happened but which they changed their minds about, that was also the case, they... Yeab, well then I think I wrote to this [artistic director of the theatre], and even though we had already done that highly successful show [X], it was kind of "No". We got rather short answers. And then we, [my colleague] and I, realised that we had a friend, [Y], who knew the artistic director quite well. So [Y] sent a very nice e-mail to her about how this was a really interesting project that he'd love to take part in. And all of a sudden we got a reply straight away, saying that would we like to have a meeting about this? So it's like all that matters is whether you know people.

She goes on to explain that she expects this situation to change as she gains more experience and reputation in the business:

I also think that the more you work, I mean, I suppose that in ten years time, I'll be able to sell different projects than I'm able to today.

Because...?

Well, because you get, hopefully you get more, ehm, credibility, or...

You'll carry more weight?

Yeab, exactly. I think it's more like that. I don't think managers are going to change, but I think that the more you work, the more you can... people trust you more.

Another director, who has worked in the industry for longer time, confirms her expectations:

How important is your network?

Well, it's very important. It's very important, I've been building it up for ages, I mean, since I have such a large network I might know for example that this manager has bought the rights to such and such Pinter plays in Stockholm, and that's how the land lies, because I know that. And that one is free, and that one isn't, and what would... He's sitting on that, and that one is no good for me, I'll leave that to them, and I'll do this. So this network gives you an enormous power, because you know a lot.

So you're able to do the right thing?

Yeah, you can do the right thing, you know about a lot of things. When I was young, I didn't have that at all. Then you had to shoot into thin air, it feels much, much better to have all this kind of clear. I don't like this whole thing with secrets, but now that I know this, I also know what I stand against if I have an idea for a play that I want to do.

Since having access to this information is a prerequisite for gaining work, this means that the result will be a rather fine-meshed social net, which effectively spreads information within the industry. Furthermore, since information becomes hard currency in this environment, it will only be shared with those who also have something to offer in return. Since it is a network based on trust and reciprocity, no-one will be willing to share their valuable information with someone who is highly unlikely to be able to return the favour – or even worse, prove untrustworthy and let the information reach the wrong ears. In this way, an effective barrier to entry is created to what may have seemed like an open market, given that there are no formal qualifications which one needs to have in order to work in the industry. In this sense, the theatre is a closed rather than open network, although like most real-life networks, it has elements of both. (Antcliff, Saundry and Stuart 2007) In this case, it may be more appropriate perhaps to speak of a network with a periphery and a core, where the periphery is more open, and the core more closed.

As a result, attaining the necessary level of information, both the social network that will provide you with it and the status in the field that will make people want to include you in their network is a very slow process. Furthermore, it is one that you are expected to know about without asking, it should be dictated by your habitus and seem self-evident, as is shown in this exchange with a dramaturge at one of Sweden's most prestigious theatres, one of the most powerful women in Swedish theatre. Asking explicitly about the issue is an obvious faux-pas:

How do you enter into [the network]?

*How do you enter into it? Well... *laughs**

Because I don't know anyone, and you know a lot of people, there is... It's not like everyone has access to that...

**laughs* No, no. How do you gain access to the network?*

Yeah, apparently there seem to be some steps between myself, who doesn't know anything, and you, who knows everything, so...?

**laughs* Yes... Yes, how do you gain entrance? It's the same there, there are a lot of different ways inside. Ehm... Well, young people who are interested in working with theatre in some way, they often start with some part of it. Some might begin with amateur theatre, they might take part in Enskedespelen [semiprofessional theatre company for young people], or school plays, they go to Södra Latin [high school with theatre profile], they actively seek situations, where there is... [...]
You have to actively seek and find those places where you can find work, if you're not able to do that, then you won't get anywhere. You have to be active yourself, you have to find small companies, you have to find places, you have to find theatres, you have to find possibilities. And to be able to find these opportunities by your own accord, I think that is a basic requirement for everything else.*

Of course, just to be able to choose all these things requires rather intimate knowledge of the field and what kind of experiences are valued there. As was pointed out earlier in chapter 2, the journey from the periphery to the core of the industry is more likely to begin in the periphery of core projects, rather than in the core of peripheral projects. Thus, quite a few of the directors, who had had a quick career take-off, related how the very first steps of their career had been taken in very junior positions, but with very high status directors at very high status theatres. The connections they had made there later proved very helpful to them once they felt ready for making their professional debut, which in many cases took place in much more high-profile circumstances, and with more renowned actors, than for those directors who had had more humble beginnings location-wise.

Furthermore, since it is not until after years and years of investing in the field that you will be able to hold a position within it, the field will become more stable, as it is not until you have proven yourself to have the right habitus and sharing the *illusio* that you are able to attain a position where you might be able to affect the values of the field. In this sense, the field will continuously reproduce itself, since the actors holding positions of power within it will not seek to reform it, and will also appear as fixed for those who are about to enter it. (Bourdieu 2000) The stability of the field stabilizes the market that takes place within it, and thus the theatre, albeit its labour market aspects of freelancing and high volatility might be expected to make it unstable, will not be solely relations-based, as unstable markets are prone to be, but rather more dependent on structure. Through the immanent small

talk and gossip within the field, its values and norms of evaluation are made sure to permeate the whole of the field. This dense network means that it will be possible to uphold strong norms as to what is acceptable behaviour, what could be said where and to whom, as deviant behaviour is not likely to go undetected and unsanctioned. For example, there is an unwritten rule that if you propose a play to a manager, the manager cannot simply take the idea and give to another director without the consent of the director who had the original idea. While it occasionally happens that this rule is broken, such behaviour is frowned upon, as in this example given by a director:

Would that be ok? If someone suggests an original idea, and then a year later, the idea is staged on that theatre?

Well, word gets around. Now I remember, what was that story, I can't remember, it was one of those things you hear about... Oh yeah, some actors went and suggested [play X] to [manager Y] when he had [theatre Z]. And he said, Well, I'll think about it. [...] And you know, half a year later, it appears on the repertoire with another actor... But that was something that you really got to hear about, everyone talked about it, and went like "Gaah! Jesus!"

So it might happen, but...

No, it's really not ok! And I think everyone, I mean, [manager Y], I don't know anything else about him, but he kind of ran his own race up there. And it didn't work out so long for him either.

If you break the norms of the industry, the risk is that you will be cast out, as others lose trust in you, and then your long term odds for success will not be good. As we have seen earlier in chapter 2, in order for a network to function, and be able to convey information that is sensitive, without network members being deterred by the fear that the information you give will be used against you or spread unwisely. (Creed and Miles 1996) Thus, the

restrictions of the network, and the sanctions against those who break the norms of interaction, are perhaps necessary if a network such as this, where information is on the one hand frequently shared, but on the other, the participants need a safeguard that what they say will not be publically known. Thus, systems of openness also require systems of secrecy or silence, if they are to be trusted by their participants. This need for confidentiality also explains why, in contrast to earlier research (Burt 1992; Granovetter 1973), there does not seem to be any extensive use or advantage of having weak ties, or being situated in a structural hole as the sole link between two cliques. The reason presumably lies in the need for trust in order to access detailed and confidential information, which make strong ties more important than weak, in spite of the potential advantage of weak ties in providing unique information. (Elfring and Hulsink 2003; Levin and Cross 2004) Weak ties may instead be used for other purposes, where extensive information is not required to the same extent, say for example in generating ideas for possible future productions. There, a director who for example knows German and has connections to German theatre, may have an advantage in picking up interesting plays from Germany and Austria before others, and thus increasing their chances of being able to present novel material and ideas.

4.1.3 Sources of silence

While the dense social network will therefore be quite effective both in facilitating the creation of a barrier to entry and as an information device to shed light on an opaque labour market, this very same density also runs the risk of creating a downside, in the shape of fear and paranoia. Since virtually

everyone who works in the industry knows everyone, or at least enough people to be able to spread information quickly, this means that you might also become overly cautious. Thus, the very same effectiveness of the social net that provides opportunities for work and enables the consensus about the rules of the field and what is to be valued may also induce fear and paranoia. A sense that the walls have ears, and that you cannot trust anyone since you never know who might be listening. Especially with those you held the most prestigious positions, a fierce loyalty to their theatre is apparent, not at any rate risk saying something unpleasant about the theatre where they were working. One retired actor, still working at the theatre where he was previously part of the ensemble, explains:

Do people contact you, friends and acquaintances, and ask what's happening at [Theatre X]

*No. I have an aunt who calls sometimes and asks "Is [famous actor] having yet another baby now? *laughs* I'm very careful about what I say.*

Why is that?

No, I don't talk about the repertoire either. "Do you know if they are staging...?" No, I get suspicious when there are questions like that. In general, I just answer "No..."

But even if it's a friend calling?

But I still keep quiet.

Out of loyalty to the theatre where you work?

Yes... None of my friends would really ask such things, so I haven't really been in that situation. But there might be rumours about other things happening at the theatre, and then... No, then I keep shut. I've even said that I don't want to talk about this.

But is it because it might harm you?

No, but... Well, I would be really scared that... if [famous actor] opened the door to my dressing room and went, "Hey, [actor's name], what the hell have you been saying about me?" That would be terribly embarrassing, I couldn't deal with such a situation. I don't want to do it. And then, when

it's about plays, of course I might say "Well, I know that they were talking about Peer Gynt, and Master Olof, that much I know, but I haven't the faintest how far along they are." I lie a little to evade any further questions.

Is it because you're afraid that someone would realize that it came from you?

No, I think it's because I learnt already from the beginning to keep my mouth shut, not to let on anything to the outside. What is discussed here...

Stays here?

Yes.

I ask a director who has had exactly that happen to him to describe the course of events, and get a similar response:

For example [Theatre X, play Y], what happened there?

Yes, that's what I ask myself. No, but that's too internal, I really can't tell you. That kind of thing must not become public.

Yeah, well, there's a reason why everyone I interview is anonymous.

Yes, yes. But then someone else may... I can't tell you what the reasons are, it's just not possible.

Since working in the theatre is more a lifestyle than a career, this also means that the boundaries between private and professional social life often become blurred, which increases the risk that what you say may reach the wrong ears, as a manager explains:

There seems to be some... When I've been interviewing people, you have to almost pull things out of people if you want them to be specific about an event, even though the study will be anonymous?

Yes, that's the way it is here.

But at the same time, rumours do get around?

Yes, all the time. All of the time. It's because everyone I know works within media or the arts. I know very few who... I know the odd person

who's an electrician or something, but it's not like... Because I've been working with this for the past 15 years.

So then most...

Yes, and that's how it is. Everyone you know. So even if I tell you something in confidence, or if I just "How are things going now with the rehearsals?" "It's great fun, but that actor is a real pain to work with".

You don't know who I might know?

No. And bang!, just like that, it's out. It's because people do talk. Friends, or over lunch, or something. And then you find out about things at parties. Especially at parties. Then people are less tongue-tied. It's a bit, yeah, it's quite dangerous, really.

A paradoxical silence is the result, where the freelancers are both dependant on information conveyed through the social network, and afraid to use it for fear what they say may reach the wrong ears and be used against them. The seasoned manager of one of the larger theatres, who has formerly worked as first an actor and then a director before becoming manager explains how he regards the industry:

Yeah, well, I think we're all of us quite deceitful most of the time, but... I overlook it most of the time. [...] You understand human behaviour, why people do what they do. People aren't evil, I mean, most of the time it's fear and terror and panic that makes people act mean. It stems from those kind of issues. You can just look at yourself, I've done it too. It's perfectly human, there's no need to make such a big fuss out of it. And everyone sees to their own, all the time. [...] So there's a harshness, often a brutality, you might perceive it like that, but everyone has to pay for their mortgage. Everyone is fighting.

It sounds like quite a harsh environment?

But it is. It's really tough, it really is. There's so much.... emy.

However, it would be overly pessimistic to regard fear as the only source of silence. As we discussed in chapter 3, several reasons for silence may be distinguished, although they are in reality often intertwined. Although fear is one

reason why things are left unsaid, resignation, tact and reciprocity may also lead to silence, and the unwillingness to give more specific information that could be seen in the quotes above might also be interpreted as the natural response given when someone outside a closed network, to whom you have no strong tie, asks. Thus, there certainly may be an element of fear, but it primarily arises when people are prompted for information by weak links. In several cases, interviewees who were in positions where they would have access to a great deal of confidential information, proved very reluctant to disclose any details of failures or projects that had for different reasons been abandoned, as for example in this exchange with a very experienced dramaturge at a leading theatre:

All projects are just ideas before you do them. It's not until it's been done that we know if we made the right decision, if we made the right or wrong evaluation. Or if, it may also happen that the theatre manager has to step in and take over the production in the final stages. It happens.

And what happens to that director then?

Well, you don't know. It....

If you could give me an example?

*No. *laughs* No, I can't do that.*

One might even suggest that the very reason why these people had been able to sustain a long career in a volatile industry, and gain positions where they would have access to potentially harmful or sensitive information, was precisely that they did have a strong sense of tact. Another strategy, which some older interviewees used, was to take their specific examples from productions 30 or 40 years back in time, the participants of which were for the most part retired and not working anymore. A third way of providing ex-

amples of deviant behaviour without disclosing new information was to refer to incidents or people so well known that they had already been widely publicised in media, and so to some extent the same anecdotes or people were mentioned repeatedly as examples of how it should be done:

The same anecdotes seem to be doing the rounds?

I think that's the way it works, it's a small pond. It's so small, this world, there aren't so many other stories that get in.

Are there stories so notorious that they've become ok to tell?

Yeah, I think that's partly it. You're not disclosing anything, everyone already knew that. If I say, "Well, Staffan Waldemar Holm said...", then I haven't crossed any lines, because everyone has already made up their minds that what he said two years ago was stupid.

Such tact serves, as we have seen in chapter 2, as a safeguard, which makes interaction and information sharing less risky, "an avoidance of breakdowns and emotional reactions which get out of control, and moreover, a greater reliability and durability of interaction as a building block for larger, complex, social systems." (Luhmann 1979 p 68)

Reciprocity as a source of silence we have touched upon earlier in this discussion, when regarding the relationship between status and information access. If we return for example to the conversation between the actress and the director quoted earlier, the actress clearly is in a less advantageous position with less status in comparison to the successful director, and this is also mirrored in their short conversation. He volunteers no information to her, other than the projects he is and has been working with, while she shares some information that might be valuable to him. Thus, by her access to important information, she becomes slightly more interesting to him than she

would otherwise have been in terms of her position in the field. That information in itself is valuable becomes evident when the directors are asked how their projects come about: especially in the beginning of your career, more often than not, it is the result of quite detailed knowledge on what manager likes what and has what plans, and what play would be suitable at a certain theatre given their context and present repertoire. Armed with all this knowledge, the director is more likely to be able to suggest a project that is more appealing than it would be if you lacked it. Thus, information is to be safeguarded, not spent freely.

The social network thus gives rise to both trust and distrust. The information conveyed through the network helps provide opportunities for trust, for by providing an effective information network reputations can be upheld, which will promote both reason and reflexivity by making it easier to attain information and inform others of the people you have worked with. Furthermore, routine is furthered since the network enables the reproduction of the rules of the field and its' norms and values which will ascertain that the field is stable. Theatres are to a large extent homogenous in structure, and the production process differs only very little between different theatres, which means that everyone who works in the industry will be familiar with what the different roles pertain. Those, both manager and director will to a certain extent be able to rely on routine when deliberating whether to trust the other. Through the mechanisms of the field, the gap between interpretation and expectation is lessened, so as to make the element of uncertainty bearable. Trust cannot be reduced away, since there

will still remain that essence of trust that amounts to faith and little else. But it enables the theatre workers to get along on a little more than just a smile and a shoeshine, to travesty Arthur Miller (1949/2000). However, as has been shown, this reduction of uncertainty does come at a price. The fear of betrayal, whether voluntary or involuntary, risks making the actors cagey and silent. Rather than being polar opposites, voice and silence seem to serve as enablers for each other, as the tact and resulting silence of one part allows for the voice of the other. Fear would not be necessary, lest the speaker feared the voice of others to convey the information they share to the wrong ears. Furthermore, the same sentiment or position may give rise both to silence and voice, depending on the context. Silence thus serves as an enabler and consequence of voice, sometimes helping, sometimes hindering the sharing of information. Perhaps a measure of silence is neither avoidable nor desirable, if voice is to be enabled. While to the outsider, there will be a deafening sound of silence from the field, as you slowly are able to gain a position through the interaction between social and symbolic capital, between network and experience, this silence will dissolve into a constant whispering.

A final remark concerning the theatre case, in comparison to the consultants, is that one reason why information network is able to function down to the level of detail where it is possible to know through your network what a particular manager likes and dislikes in terms of how developed ideas should be, for example, is that a theatre project involves so many other people than the director. Through contacts with actors (for example), who also want to get involved in projects but are not competing for the

same positions, you can get more information. Other directors would not be a good source, since they are competitors, and furthermore you will never work together, but people from other professions can be, and makes the information network much more efficient. In contrast, consultants do not work with other professions to the same extent - their project groups nearly always consist only of themselves and the client. Hence, their possibilities for this kind of network are slimmer, for it would have to consist either of competitors (other consultants) or potential clients, not people you would work with, but not compete or pitch projects to.

4.2 Position, identity and the subtle art of saying no

This above all: to thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man.
William Shakespeare: Hamlet

If networks may alleviate egocentric uncertainty on the market, there remains a second type of uncertainty, namely that of altercentric uncertainty – it is not enough that you now things about the market, if the market knows nothing of you. At least not in professional services, where, as we saw in the introduction, the service provider is an inextricable part of the service provided, and the skills and capabilities of the person who is offering the service is therefore just as important as the ideas they present for the end result. Furthermore, on markets where recruiting is mostly informal, and there are more willing providers than there are opportunities for work, it is likely that many projects begin with the buyer contacting the seller, inas-much as the other way around. Therefore, in order to get work, those who

would employ you need to know who you are – not only in the sense of having a personal connection, but moreover in the sense of having an image of what you can do and what work would suit you. This is a pattern that may be observed in both the cases studied here, and in the following, we will therefore take a closer look at how such identities may be created and uphold, continuing our focus on the theatre case as our main example for the macro level.

4.2.1 Identifying directors

As we saw from the previous discussion, the dense networks present in the theatre serve to make it a comparatively stable market, in spite of the potential volatility caused by temporary projects and a freelance workforce. Indeed, as we saw in chapter 3, the norms upheld by networks and field forces may indeed be a prerequisite for swiftly assembled temporary groups being able to work together, since they will then be able to rely on industry norms rather than personal acquaintance to know who should do what and how skilled they might be at it. (Meyerson, Weick and Kramer 1996; Panteli and Duncan 2004) In putting together the creative team for a production, managers rarely just go for anything, but rather, as we saw in the empirical description in chapter 2, they regard the repertoire as a puzzle, trying to piece together the different projects as combinations of the best ideas and the best people to do them:

I knew that I needed a director for the family play, and I wanted someone who was used to working on a big stage, with big projects. It was quite difficult finding someone [...]"Ob, but you should try [director X, someone suggested]. And she was a woman too, and I wanted a woman.

While projects might start with a certain person, they might just as often start with an idea, and the manager will then look for potential directors who would be interesting for that idea. In order to seem interesting for an idea, the manager then needs to have some sort of idea of what that director is like, what they might possibly do with the play, were they given the opportunity to stage it:

I suppose it could be quite practical if one could find a director who could do just about anything?

Yes, but at the same time, you've got to have that personal engagement, in order for it to become personal and unique. It's not just a matter of being a craftsman. [...] It's not interesting with someone who says "I can do anything", there has to be some kind of personal vision.

Obviously, 'the generalist' is not a very promising identity, because chances are that you will be perceived as having no identity or sense of yourself and your aims at all. (Bielby and Bielby 1999) This appreciation of a clear direction and distinctiveness is also clear in how another manager describes why she chose one of the directors she had contracted:

Why did you want him to come here?

I think he's an exciting and original director with a great deal of integrity. [...] He doesn't imitate other artists, instead he kind of creates other statements with his productions, both with regards to form and content. [...] That's what [X] has as a director, I think, he has this very strong vision of how he sees the world, and he succeeds in communicating that via the stage.

In order to be contacted by a director, it therefore, not perhaps altogether surprisingly, it therefore seems as though the director needs to have an idea

of who you are and what you can do. As was discussed in chapter 3, the choice will then be made on the basis of what the candidate has previously done, and what others have to say about that person. It is quite typical for the industry, that the manager, as in the examples above, would combine their own impressions of the plays they have seen by a certain director, with the recommendations given by others whose taste they trust. These others may be old friends who know you and what you would like and be looking for, or colleagues such as the theatre's dramaturge, or experienced actors in the ensemble. In interview, the director X mentioned in the quote above, places that initial contact with the manager to the opening night of a production he made at a small, but high-profile theatre in the city the manager used to live before she became manager. He also added that at that point, when she came up to him and asked whether he would be interested in working at her theatre (which, given that the theatre in question is one of the most prestigious in the country, and he was an up-and-coming director at that point, was quite likely), he had never met her before. Therefore, the offer seems to have been made on track record and perceived identity alone; although it was at that point not of course certain that the tentative offer would actually lead to a production.

We talked earlier about the idea of *optimal distinctiveness* (Alvarez et al. 2005) in creative industries, that is, the ability to conform to industry norms to the extent as being understandable, but at the same time deviating to the extent of being perceived as artistically distinct, with your own unique vision, and it would seem plausible that director X at least in this case seemed to have

mastered this. From our account of Bourdieu, we learnt that this feat would be most likely for someone who had the right habitus, who was born into the right circles and so from the beginning had had the opportunity to incorporate the right habits and values. Not unsurprisingly then, X does indeed come from a theatre background (“theatre child” is an industry expression, it means someone whose parents worked in the theatre, and who grew up in that environment):

I'm what they call a theatre child, I grew up with this. The theatre has chosen me, rather than the other way around, somehow, in a way I haven't really had a choice.

It felt self-evident?

Yes, you could say that.

As a contrast, this account of choosing the theatre as a career might be compared with how other directors, whose parents did not work in the creative industries, might describe their decision to work professionally in the theatre:

When did you decide you wanted to be a director?

No, but I think that depended a lot on the fact that the theatre in my world, I come from a working class background, and the theatre didn't seem like a proper job, you wanted a proper education so that at least you knew that... And it wasn't like my parents forced me, it was just a tradition, but when I graduated [as a social sciences teacher] I felt the attraction, plus that I had realized that working in the theatre could be proper job, you could make a living. And still I kept my teaching position for at least 10-15 years when I began working as a director.

So you still had your teaching job in your back pocket?

Oh, yes.

As might be expected, these positions are thus not just there for the taking, but in effect what position an individual may take is determined by the capital they have, and the choices they have are within the room of possibilities provided by their habitus. Furthermore, different positions enable different types of behaviour, or rather, depending on your position, different types of behaviour are expected and/or tolerated. In order not to behave inappropriately, the director therefore needs to have some grasp of what would be expected of someone in their position, as may be seen from how this director describes her method of working:

I don't have this authoritarian style of... [...], there are directors who can be quite stern, and the actors are more or less afraid of making errors. And that's not a sound basis, I don't like it, that way of working. That old authoritarian...

Would it be acceptable to work like that?

Yes, if it's a great, famous director, then people put up with it because they know this will become good theatre, and that the result... well, that it'll be valuable. But hardly anyone, it has to be someone really big.

What would happen if someone who wasn't a star behaved like that?

No, they would get the sack, I think. The actors would protest, go to the manager and complain: "This one doesn't know how to do it"

In practice, however, it seems extremely rare that a director would step out of line in such a fashion. Presumably that if you get to the stage that you are working professionally with theatre, you will have picked up on at least this code of conduct somewhere along the way – being employed yet being oblivious of industry norms simply is not really possible. On the contrary, it might be the case that diva-like behavior, such as described in the quote above, may well be the privilege of those of very high status, whose posi-

tion in the field is so solid that they can afford ill behavior, since they are no longer reliant on being nice to work with to get jobs. Of course, not every star will resort to such behaviour to demonstrate their status, but it is to them that the option exists. Furthermore, there are also other, less dramatic ways in which a higher status may enable new things, for as the director rises in the field by gaining capital, experiences and contacts, different theatres and different stages are likely to become possible, which offer the possibility of renewal and new challenges, as one director explains:

For me, the challenge is to take on these big stages, and bigger productions, and bigger challenges, maybe. Like here in Uppsala, or at the City Theatre here, where I'm going to in a bit, I enjoy that.

Could you have done these things when you were just starting out?

No.

What makes it possible for you to do them now?

Well, it's because I've been working for such a long time, people have seen what I have done and liked it, and people who've worked me have also liked it, and so the word has gotten around.

In our earlier discussion on typecasting, it was noted that being able to adhere to typecasting stereotypes is a mixed blessing: there is an advantage of being a recognizable type, in that managers find it not too difficult to understand who you are, and based on this impression are able to place you in suitable projects, sometimes with somewhat surprising results, as in this example given by a young director, of a project he said no to, that was then offered to another director:

Was it unexpected for you that they thought that something which was suitable for you also was appropriate for [Y]?

*Yes, it was, actually. In a way it wasn't, but it was unexpected because you get completely different perspectives if he does it compared to if I do it, but I suppose we have similarities in terms of *laughs* gender, generation... [...] Somehow maybe we're in the same position, but in different ways. So it surprised me in one way, because it was like throwing the text from one pigeon-hole to the next, completely, but it didn't surprise me because he too... If we have anything in common, it's integrity, I think.*

Some sort of distinctiveness?

Yes. That's what I should say.

Young, up-and-coming director, with a clearly defined aesthetic?

Yes, that's right. That's what I would think.

Given the constant search in theatre for "the next big thing", the identity of "promising young talent" is one that will often prove successful as a way to gain entrance into the industry, and begin that climb up the experience-contacts-status-spiral that was described earlier in this chapter. However, it is a role which is not without dangers, for two reasons: firstly, while one might enter the field as exciting new talent, it is very hard to sustain that position in the long run, as you inevitably age and new candidates for these positions appear. Thus, it is a position that in the short run may be very advantageous, but which also requires that you take advantage of it to build a reputation and network which will widen your appeal, and which will allow you to move on from that position before you extend your welcome there:

[...] because you need to keep yourself updated, you've got find out, and contact, and sit and talk to, there's a lot of informal stuff that happens too, having a coffee, or a letter, or an email, or you run into someone on the street, and so on.

Would it be possible to work as a freelancer, and not think about that, just...?

Yes, but then you've got to be incredibly good. So that you're in demand all over the country. And they're not so many.

Is it possible to be great for such a long time?

No, well, most of the time those that are proclaimed to be geniuses only last for a few years, then they become ordinary, so to speak. [...] I mean, look at [director X] for example, he was proclaimed to be a genius once, and [director Y] sometime in the beginning of time, and now [director Y] is kind of an ordinary director. I mean, it's difficult. Genius only lasts for a short while, and then, getting jobs is not difficult either. [...] You have to be aware, I would like to say. Aware of how it works, and aware of building up a network of contacts.

The second potential pitfall of typecasting, which goes not only for "young genius", but all typecasting, is that the audience risks becoming bored. Neither the public, but least of all the managers, want to see the same ideas and productions repeated – especially at the institutional theatres, the regional theatres and the most prestigious theatres in the largest theatres, for they often have an explicit commission from those that provide their funding to stage classic plays, thus keeping the tradition alive, and continuously presenting the classic plays for modern audiences. Although there are of course many hundred plays and playwrights which may qualify as classics, in practice this usually boils down to the more well-known plays of Strindberg, Shakespeare, Chekhov, Ibsen and Molière, which means that there is a constant demand for fresh approaches and ideas on how to stage for example *Three Sisters* or *Dödsdansen*. While the audience in one city may not be aware of what has been produced in the next, as theatre goers are rarely so avid that they travel from city to city to see a particular play, other theatre workers and the critics generally are. Thus, for a theatre in Stockholm to stage an idea that was already done in Gothenburg, especially if it is to the

extent of even using the same director, is generally not thought of as very interesting theatre. Although some directors may work occasionally abroad, often in Norway, Denmark or possibly Germany, most have the bulk of their work in Sweden, and so the room for repeating the same concept is comparatively small. Granted, typecasting when it comes to directors is rarely as limited as “Does a really good modern take on Chekhov”, but more along the lines of “Is good at children’s theatre with a dark twist” or “does really big productions with large casts well”. If a director becomes too stuck in the same route, there is the risk of becoming too predictable, and the audience loses interest:

[...]you do get productions, but they're not good, for example. And there, art is quite harsh, because then... It could be that your well runs dry. And you've been working as a director for maybe 10-15-20-30 years, and suddenly one day maybe the well dries up. I can see that after a certain number of productions, that maybe now the time has come for you to do something else.

Therefore, while having a clear-cut and distinct identity may initially prove beneficial, in the long run, widening your appeal to do a wider range of productions may be of the essence, if nothing else then because a varied portfolio facilitates for would-be partners to envision what you would be able to do, as in creative industries what you *do* is often conflated with what you *can* do. (Zuckerman et al. 2003) This restricting effect of typecasting will however be ameliorated if the market is not only governed by structure, but also by networked relations, for then what opportunities are given to a certain person will not only be dependent on the position they hold, but also the personal relationships that they have. Hence the description given

by the director above, of how you must start building your network while you are the next big thing, for it will not last, and then your network is what you will be able to rely on for your career in the long run.

While it is often said of the theatre and other creative industries that the norm is that “you’re only as good as your last job”, and this rather harsh rule was indeed mentioned by some interviewees in this study, in this example by a director:

In the theatre, you can't rest on old laurels. You can't merit yourself with a play you did in 1980 that was really good and then only mediocre things since then. That doesn't work, it perishes quickly.

However, it would seem that trust in skills is not quite that ethereal that it would disappear after one failure – at least not if there are previous successes that have stayed in the memories of managers and others:

Then there are directors who've had a period with productions that have been kind of empty, but where I was certain that this is coming, it'll come back. And I've had two directors where this has turned out to be true, it has come back. They've bloomed again.

For a director in the beginning of their career or with less credits under their belt, however, an unsuccessful production may come at a higher price, as in this account a director gave of the aftermath of his less-than-successful first production at a large theatre:

Well, the original plan, both from my side and from [theatre X], was that there would be more productions. It didn't turn out like that, that's the way this industry works, it's quite tough. You get one chance, you're 27,

*and then you get a production at [theatre X], and it's kind of... Quite a lot was put into that play, and then it got really bad reviews. And the suddenly it didn't happen... It's not like they would say "Welcome back next year, I'm sure it'll go better then!", it's more like "Well, yes, we'll have to see about this, maybe someone else... *mumble*"*

Arguably, potential effect of failure is another effect of being evaluated on what you can do based on what you have done – for better and worse, for while it may mean that you get to do more of the same, it also means that if you have once done great work, it will stay in people's memory, and there will be some hope that you might be able to achieve those heights again. Thus, as was discussed in the introduction, the transient nature of services is overcome by the lasting memory of those that took part of it:

It's because you know it's there. Maybe it doesn't, maybe it actually has been destroyed by drinking, you don't know that. But since you know that it has been there, it's like when you've been in love. If you're been in love with someone once, it's really tough when you realize that maybe you're not anymore.

So if you were really, really good once, then you are allowed to fail?

Many, many times, yes. Especially if you're a guy.

While this is not the place for such an analysis, as it is a question which would merit its own study, it may be noted that there certainly seems to be a gender aspect to typecasting, and that the positions available often seem earmarked for one or the other gender. Suffice to say for this study that gender certainly seems part of those attributes that enable a director to with more or less ease take up a certain position.

Furthermore, it is of course not only in the interest of the director that he or she should be able to present something new, for it most likely will be what the manager seeks for as well, as one manager explains: “There you have quite an important part as a manager, not typecasting people, but give the opposite of what is expected.” and she goes on to tell of how she had asked a director to do a project which was in the line of a lot of the work she had done recently, and was pleasantly surprised that the director said yes, even if the suggestion might have seemed familiar to her:

Well, I asked her because she's a damned good director, and a damned good person. But at the same time I can imagine that maybe she's really tired of doing these projects on ethnicity and society, so I would have understood it if she had said no. But I'm really glad she said yes.

This expectancy of seeking the interesting juxtaposition or contradiction, not only for the sake of the director, but moreover for the sake of good theatre, is re-echoed by another manager:

For example, if I'm getting [director Y], and [Y] usually does quite physical, but emphasizing the external, the playfulness [...] Then I'll often play with the thought that he should do quite the opposite, I'll give him something naturalistic, a psychological drama, if he's going to work here. It's these things you think about.

Is it the director's development or theatre as an art form you want to push?

The theatre.

Thus, the director does have a potential ally in the manager in the continuous search for renewal, but it is equally important to note that in order for the manager to be able to juxtapose, the director would have to have a fair-

ly distinctive creative identity to begin with – for how would you go about making an interesting juxtaposition with a vague blancmange?

4.2.2 The art of saying no

If your identity, and the perception of what you can do is largely determined of what you have done, it then follows that your identity will to a large degree depend on the projects you choose. Although neither consultants nor directors may have more offers than they can handle, it seems they should nevertheless not say yes to everything. You have show some discrimination, show that you have taste and belief in your own decisions lest you be suspected of saying yes to anything, even projects that you cannot handle just to gain employment:

It's kind of a matchmaking process, but you have to be able to rely on the director's to say no if they don't like the text, that's their responsibility after all.

By declining offers, though tempting, that are not within your range, and picking the ones that will enable you to develop a unique style or ability, you form a public identity, which in turn will bring more work suited to you your way. Knowing when to say yes and when to say no is thus an important part of how longevity in the business can be ensured. Furthermore, by saying no to ventures that are likely to turn out unsuccessful for you, you are more likely to be able to sustain a reputation of being successful. Since the social web is tightly spun in the theatre, news of mishaps will travel fast, and can scarcely be afforded. While one unfortunate production will scarcely mean permanent unemployment, as we have seen, no career will benefit from unsuccessful productions. Although opinions may of course differ on

what productions are failures, or less successful, it would seem that there was agreement that the most problematic productions were those that lacked direction and vision, which fell short on the quality side, and could not even be deemed interesting failures, as this manager explains:

You know, all failures don't look the same. Some are interesting failures, those were the choices they made, but as critics, we don't think those choices worked out. And then you're still in business. [...] Then there's also, I mean, we can't... For example [production X], I thought that was too amateurish. It didn't belong... It wasn't a [theatre Y]-performance in terms of acting, direction, how it looked, and so on. It just can't be that bad at [theatre Y]. And then there might be some performances... My [production Z], which is on at [theatre Y] now, the reviews were so-so. But it's a high-quality production with excellent acting. You may have opinions about it, but you can't deny that it's a really sound production.

In this instance, the director of the production in question seemed to be in agreement that production X was not a career highlight, to say the least:

You should know that if you agree to things you're not really happy about, then you have to take the consequences if it doesn't turn out well. As a director, you're ultimately responsible for the production.

Has it ever happened to you?

Oh, yes. The last thing I did at [theatre Y], that was a terrible flop, it's one of the most horrid jobs I've ever done. It's almost the only horrid directing job I've had, actually.

Such disasters are rare, however – more commonly, a production may not turn out quite as well as those involved would have hoped for, and in hindsight, the director may often consider some of the decisions and choices they made at the time were ill-advised. With the delegation of the artistic responsibility to the director also comes the main responsibility of the re-

sult of the production. Although the manager of course also will reflect on why the outcome of the project was not as good as hoped for, the main blame for the failure often lies with the director, since the production was their responsibility, and they should have said no if they could not manage it. Therefore, the highest risk you can take as a director is not doing something fantastically odd and avant-garde, but something you do not fully believe in, as a dramaturge explains:

*That's what exciting, and challenging: conquering those risks, and tri-
umphant. If you want to do something, you have to feel that, that they can
make something out of this, or that they want to make something out of
this. But if they feel uncertain about the text, or the play, or they feel
that... That's the big risk, I think, doing something you don't believe in.
That's really risky, it's highly risky.*

Apart from practical reasons such as lack of time and other engagements, the reasons for saying no could be said to be divided into two groups: firstly, saying no to offers that are not in your line of work, although they might be good projects for someone else. Secondly, saying no to productions that may on the surface be in your line, but where the quality level amongst the other participants is so low that the risk of failure is too large. The first kind is connected to forming your identity. The second to your tastes, and your ability to discern quality, which in turn reflects your knowledge of the field?

What discouraged you?

*It's very much about the artistic quality, as I see it. Artistic direction, and
this is of course my subjective view, but your artistic direction and artistic
quality. It could be connected to who manages the theatre, and then if I've
seen things there, you know, that's how you form an opinion somehow.*

Artistic integrity in the sense of not saying yes to something you do not genuinely believe you can do does indeed seem essential to a career in theatre direction, having a sense of your own capabilities and what projects would be suitable for you, as one manager explains:

Is it important for a director to be able to say no, to see that it might well become a good production, but it doesn't suit me?

Yep, that's important.

Is it innate or something you learn from experience?

Self-knowledge. You can have that quite early.

Being aware of your artistic distinctiveness?

Yes.

However, saying no to work in an industry where unemployment is high is rarely easy, especially in the beginning of a career. One interviewee explains how he turned down an offer to direct at the most prestigious venue in Swedish theatre:

Especially [manager X], it was really difficult to say no to her. She could ask about the same play three times, at the end I had to yell, I yelled "I don't want to do it! I don't want to! Stop hassling me!" But in her opinion that was good to, I only got respect, from her too, at the end. At first I thought, she'll sack me, I'll be done for here. But in some strange way she liked it. [...] So it was really something I felt very anxious about, it was incredibly, incredibly difficult to say no to things, really painful. You feel terrible about it, you think it's the last thing you'll ever be offered to do.

Even more seasoned directors do not think lightly of declining work for such reasons, even though there certainly seemed to be an awareness that such situations may arise, and that it might sometimes be necessary to say

no even to offers that may seem tempting in terms of venue and participants:

It has to be a play and a context where you feel that you can go all in and do your utmost, otherwise it won't go well, because you're the one who has to inspire and drive the project, in every way, and then there can't be any compromises; I don't think that would work.

Are there some things you wouldn't want to compromise with?

Yes, if it was someone I found it difficult to work with, then I wouldn't want to put myself in that position again. And when it come to the play, I suppose I would be quite difficult to persuade, if it was "you have to do this play, otherwise you won't work at this theatre!" Then I think I'd decline. Even if I didn't have any money. If I felt so clearly that I can't do this play, then I can't force myself into a project. I hope it never happens, but...

The reason, it would seem, why failure is so daunting in the theatre is partly because working in a failed project can be a horrific experience, that you would rather spare yourself if you at all have the possibility, but also because not only the manager that hired you, but everyone who wishes to will be able to see the result, aided by the reviews in daily newspapers if not nationwide then at least locally in that town. Thus, it is not only your relation to those who were involved in that particular project, but moreover your reputation as a whole which is at stake. The breach of trust will most likely be most felt in your relation to that particular manager, but through loss in reputation and status, others' trust in you may also be affected.

Furthermore, it is not only the director that stands before the delicate task of construing your identity through a series of choices, as very much the

same task faces the manager. In order for the “right” kind of directors to be attracted to the theatre, and for those directors to make suggestions that would fit the theatre and its audience, the theatre has to be seen to have a clear artistic profile. Thus, it would seem that clear positions or identities on behalf of both parties are necessary, if others are to navigate successfully to them, and direct suitable suggestions their way.

In conclusion, altercentric uncertainty is primarily solved by creating identities, which however cannot be chosen freely, but are restricted by your habitus and the capital you possess. Furthermore, a distinct identity requires being able to pick projects so as to be able to present an interesting line of credits, which will be distinctive enough so as to make it clear who you are, yet not so restrictive as to make you appear monotonously repeating yourself. If entering networks solves egocentric uncertainty, then upholding an identity solves altercentric – however, neither of which can be accomplished without taking the rules of the field into account, and the demands the field puts on having capital and the right habitus if one is to gain the position necessary for both identity and entering core networks. Having focused thus far on the theatre case, let us now turn to the consulting world for comparison, and see how identities and networks play out there.

4.3 Networks and identities in management consulting

Not altogether surprising, there are many similarities between consultants and theatre directors on the macro level – they too are to a large degree dependent on networks, have to know when to say no and how to create a professional identity.

As we saw in chapter 2, when regarding the consulting market, consulting services are mainly sold through repeat business, and new business with new partners takes quite a while to set up. As a consequence, networks are as important in consulting as they are in the theatre, but they are of a slightly different nature. In consulting, networks, seen as the sum of social relations of each actor, are a source of work – however, less as a source of information, but moreover as a source for recommendations and referrals. “Cold calling”, that is, contacting a company without having a prior relation, in the hope that they will need the services you have to offer, rarely seems to lead to business, as one consultant explains:

I very, very rarely do cold calling, it doesn't really suit the kind of service I offer, I think, I have other strategies instead. Since I don't sell a set course, I work with changes on a larger scale, changes in behaviour and organization, and you don't buy that kind of thing over the phone.

If it does, it seems to be either by happy coincidence, that you contact an HR-director who has already been thinking about buying services of the kind you offer – examples of this were given by several client managers, who had for a period been thinking of for example changing the company's leadership program, during which time a company offering this service called, which led to a meeting, and the company then being called back some time later, as the plans for a change had taken a more definite form:

It happened just two weeks ago, we had a company here who work with tests and evaluations, to be used for recruiting as well as for training and development. So they came here and presented a concept we'd been thinking about, me and a colleague who's responsible for leadership training. We had been thinking about this for a while, how this should be. [...]

Did they happen to call, or...?

No, they called me a while back, probably more than six months ago, and then I said that I don't have anything right now, but let's stay in touch? And then I called back, and asked them to come here and have a short presentation.

Instead of cold calling, other strategies such as speaking at industry events or network meetings were used by consultants, as a way of making new connections and getting to know new potential clients, which appeared to them as more fruitful than spending your time on cold calling. Apart from happy coincidence (which understandably seemed to have quite a low success rate), the other kind of situation where it would work when there was some sort of connection beforehand, albeit indirectly:

Sometimes these meetings come about for other reasons, because there is a need at the company, and then you've began checking, and heard, through contacts... And then they already have a clearly defined problem that they want to solve.

Will you know that beforehand?

Yes, most of the time. Most of the time there is some sort of connection. Through previous customers. That's not too unusual, you know someone who either bought services, or you know someone who in some way has been in touch with the company where you work, and you think it fits. That happens.

Thus, though the network seems to be important, as suggested by earlier research on the importance of weak ties to gather information (Granovetter 1973), and the importance of networked reputation (Glückler and Armbrüster 2003) for marketing consulting services, it would seem that it works slightly differently than in the theatre, less as a conveyor of general information about what happens in client companies, or as a status marker,

but rather as a system of recommendations and trusted partners, as one HR-manager explained when asked what made him stick to consultants he had worked with previously, rather than trying new ones:

I suppose I could get it from somewhere else, but if I use my network, then at least I know quite well what I'll get, and who I get, because I've worked with them before. And if I'm looking for someone who can drive a process or a meeting in a certain manner, with those that I've worked with before, there's no warming-up period, they can just go.

A consultant described a similar pattern of getting new business through recommendations or repeat buys from former clients:

It's very much about working with contacts, and that's about using references, recommendations, lunches... People who get to know me, actually what happens is that as I have completed more and more projects, I get more and more well-known, more and more people have worked with me, I have a broader base to build upon. These widening rings on the water are very important.

Even if the initial contact is not made through recommendation, which is rare, references are nevertheless used in order to assess the quality of a new acquaintance:

They had good references, both [co-worker] and myself succeeded in getting references by the back door through people we know, and they said thumbs up, and then we thought, well, let's meet them. I asked a former colleague of mine at [Company X], and [my co-worker] asked the training manager at [Company Y], they know each other from working together in some network.

How did you know what companies they had worked with?

Oh, but they were very quick to say that. Of course, they all do that. "This is our list of references".

Thus, it seems that the networks we can observe on the consulting market can be interpreted as the result of the market being unstable, in which case, as we saw in chapter 3, market actors rely on personal relationships rather than structured positions and system trust to inform themselves about others on the market. In comparison to the theatre, buyers of consulting services spend very little time and effort trying to keep informed about potential service providers – if the theatre manager spends their time seeing performances and reading newspapers to find about new directors, the HR-manager or CEO rather spend their time keeping in touch with good consultants they've already worked with.

4.3.1 Upholding identity on an unstable market

Since information on consulting services seems only to be had by working together, this means that it will be very hard to inform yourself about a consultant, lest you are able to ask someone who has worked with them before. Thus, in consulting, to the extent that networks are used as sources of information, it is to learn what consultant would be appropriate for a certain task. Such recommendations may come not only from those who work on the client side, but moreover from other consultants, who are often part of a consulting network, formal or informal, sometimes both, as in the case of a self-employed consultant, who combined membership in a formalized network of twenty freelance consultants, as well as being able to call on trusted colleagues who were also self-employed:

I know that if I need an expert in business negotiation, then there's someone I can talk to in my network, and if someone wants a person who's good

at change and leadership, then they can contact me, for example. So in that sense we get to know each other.

The reason we find these recommendations of colleagues here, but not in amongst theatre directors, might be firstly, buyers of consulting services are less informed about available consultants on the market than their theatrical counterparts, and thus depend partly on the consultants to fill in the gaps, and secondly, the way consulting projects are organized, consultants will often work in teams, and so consultants are not only competitors, but also colleagues – in contrast to theatre directors, who never work together. It thus seems as though networks on the consulting market are less dense than in the theatre, which makes them less likely to be able to uphold industry norms, but also that there is not the same need for silence. Thus, the interviewees in the consulting market were much more willing to be open and quite detailed on failed as well as successful projects, than in the theatre. A suggested reason might be that since they are less used to being in a dense network, the vigilance towards disclosing information is less widespread. If you tell someone about a failed project, not naming names, unlike the theatre, chances are the listener will never find out what you are talking about – the reason for this being of course not only dense networks, but also because projects are less visible and well-known in consulting than in the theatre. Furthermore, consultants are less vulnerable, as they are often able to gain employment on client side if their consulting career should not work out – whereas theatre workers, considering the field-specific investments necessary to gain work in the first place, rarely have a second option. Apart from the theatre, they have few alternative career options.

A further effect of this difference in networks, and the significance of close, trusting relationships as opposed to being connected to the information highway, is that exchange partners on both the client and consultant sides of the exchange spend considerable time and effort trying to build and maintain strong ties, where you tend to stick to a working relationship once it has been established (as is also evidenced by the previous research on consulting markets we discussed in chapter 2, suggesting that two thirds of consulting business is repeat business). Forging a new tie is therefore as much about building a relationship, than about preparing and discussing a certain project:

I had met one of their consultants, and then I checked them. I checked their website, and then I contacted the owner for a meeting. I wanted him to be committed too, even if it's not him we're working with now. We employ them on a project-to-project basis, but as it stands, they're the supplier we call first. I often get called up by other suppliers who want to challenge them, sending proposals, and of course I take them into account. But, you know, if you've found a supplier, who you feel more and more understands us and our culture, then that's important, the process becomes so much easier then, rather than beginning all over again with someone new.

Especially with smaller consulting companies, these relationships often become interpersonal rather than interorganizational, resulting in ties between individuals becoming stronger than ties between organizations. Hence, consultants will often be connected to individual client managers, rather than to their companies. As we saw in chapter 2, when managers shift employers, the tie between the supplier they worked with and their former employer is often severed. Instead, the consultants will follow their exchange

partner to their new post in a new company, while their replacement at the first company brings in his or her own consultants. This happened to a lesser degree in the theatre as well, but is much more pronounced on the consulting market, arguably because ties are fewer but stronger, as the market relies on personal relationships that take time and effort to create in order to function. A quite explicit example of this pattern could be seen in one of the interviewed client companies, who for some years had been working with the same consulting company. The story went as follows:

The client company, Gamma, had been looking for a consulting company who could offer sales training, and were given the recommendation to contact Delta, a small consulting company specializing in this. They sent their best salesman, Albert, who made a favourable impression on both the HR-department and the CEO, and was hired. Shortly, he and the CEO, Bill, had become quite close, as was noted with some chagrin in the HR-department. As the collaboration continued, and Delta grew, a second consultant, Carl, was brought in to work with Gamma. He was quite different to Albert, and did not endear himself to the CEO in the same way – he did, however, befriend the newly appointed sales manager, Eric, and started working as his personal coach in addition to other Delta services.

As time wore on, the bond between the CEO and Albert grew stronger, which, at one point when negotiations about next year's contract between Gamma's HR-department and Delta seemed to stall, led to Albert taking their proposal (which had not been approved by the HR-department) straight to the CEO, who signed it, using up a large chunk of the budget for HR that year. Needless to say, the HR-department was less than happy with what they perceived as a back-stabbing betrayal by Albert, and although the contract was honoured and collaboration continued, their trust for Albert decreased significantly. A few years later, Bill, who had become increasingly unpopular in Gamma, left the company. Albert, who at this point had quit Delta to become self-employed, had thereby lost his primary advocate within Gamma, and had furthermore alienated other Gamma

employees, due to the episode with the contract, and his close relationship to the disliked CEO, and collaboration between him and Gamma therefore ended. Delta remained, however, for Eric the sales manager now became CEO, and he remained close to Carl, who was still at Delta, and now became the primary contact there for Gamma.

Albert, however, followed Bill to his new company, who soon became his clients. Furthermore, one of the co-workers at the HR-department, who was less adverse to Albert than the others and had been the one to bring Delta in in the first place, also quit Gamma, and become HR-manager at a rivaling company, and continued working with Albert there.

To cut a long story short, as is evidenced in this example, strong bonds seem to be forged between exchange partners – however, such strong bonds come at a risk, for if the person you bond with is disliked within the company, strong ties to them risks alienating you to the rest of the client organization. At the same time, such strong bonds, high in trust and loyalty, also seem the most certain way to repeat business, to the extent that the business will continue to repeat itself even if your partner shifts employer.

The significance of relationships, in comparison to market structures, also has repercussions on positions and identities on the consulting market. Since the market is not as stable and structured, it will not be possible for consultants to hold universally acknowledged positions to the extent that theatre directors are able to. Reputations are thus not market-wide, but rather based on the consultant's personal network of close relationships. This does not make them less important, but in other aspects. The importance of being true to yourself and your distinctiveness becomes less important, and very few if any consultants claimed to chose projects on account of whether it would be right for them personally, and fit their profile, so to

speak. This is not to say that they were unaware of their competencies and strengths, but being distinctive and different was not the basis for their identity. Rather, it seemed a question of knowing what you are good at, not try to work with what you do not know, but rather refer to a colleague if you would be out of your depth:

So that means you say no to clients sometimes?

Yes, or that you help them solve the situation by using the network you've got. You know someone who's good at that. So you can refer business, or give a recommendation for someone you know is good.

How do you know that, what to say no to?

If you know your own skills, then you know what you can do, and what you can't. You have to know that somehow.

Thus, being able to say no still seems as important – not primarily because your public reputation and position in the field is at stake, but because your close contacts are likely to be disappointed and lose faith if you make a mess out of a project, as one HR-manager explained about a consultant he had worked a lot with:

I know he has said no to clients, when he hasn't been convinced that the project would be successful, because one thing they're very careful about, that's their references. They're scared to death to be part of a project that goes on the rocks, which would haunt them afterwards. So then they've said no.

Contrary to theatre managers, HR-managers seem very uninterested in creating interesting juxtapositions with the consultants they choose – rather, they want to choose someone who is as experienced as possible in doing exactly what you need them to do in your own company. This might be

partly because the imperative of innovation is not as strong in consulting as it is in the theatre, but also because it is easier to be innovative, in the sense that the projects you stage do not have to be new to the world, only new to the people involved in the project, since projects are rarely visible outside of organizational boundaries. In this respect, saying no might also be perceived as a signal of expertise by the client – obviously, this consultant has the experience and skill to know what will work or not:

I'm much more careful today, and better in the sense that I can sense when the clients want something else, or if they have a different perception, then I say so. These days, I have quite a secure income, and I'm more secure in my role. And that means that I can often do the exact opposite, which can have two effects: either they say "No, I don't want to work with you" or they go "Yes! This is excellent, exactly what I need!"

However, this also means that the tolerance for “interesting mistakes” is considerably lower, and hence clients and consultants alike wish to ascertain that the consultant is indeed competent for the project he is asked to do, and the Jack-of-all-trades seems no less successful a business model here than in the theatre. Not because it means the consultant is lacking in originality and distinctiveness, but because it is unlikely that they would be skilled experts in everything, which the consultants seemed keenly aware of:

Anyways, this Consultant-for-everything-style, that didn't work for us. We should do what we... This, this is what we do, this is what we're good at. Not start bargaining with some sort of "oh, but I've done something like that once", which I think is easy to do. Once you're inside, and have become the resident consultant, then I think you may get proposals for one thing and the other. And then it's up to you if you think you have the necessary skills, we at least tried to stick to "this is what we do, and this is

what we're good at" And not do everything, I don't think that makes you seem trustworthy. You have to know yourself where your limits are, if you feel that "I don't know how to do that", then you shouldn't do it.

Apart from the reputation that a consulting company or a certain individual consultant enjoys, brands in a stricter sense seem to carry little importance. One reason for this may be because they are suppose to serve as proxies for other, more unobservable qualities, such as capabilities and quality of the service. For most companies, it would seem, the brand is not strong enough to be able to stand on its' own, so to speak, and so very little effort and resources are spent on the brand itself – rather, personal relationships become more important. It would seem, however, that those who do have a more well-known brand are able to capitalize on it: the price of consulting services seem to distinctly increase if the brand is strong. Thus, it would seem as though brands are possible effective as proxies, they are also quite expensive, and so clients often prefer using as their proxy not brands but reputation, often with regards to specific persons in the consulting company.

To conclude the discussion of the macro level, so far, it is apparent that this is where much of the action is in terms of trust creation, but equally clear that the stability and degree of structure on the market makes for fundamental differences in how trust is created. On a stable market, such as the theatre, macro level activities will to a large degree be focused on attaining a position in the field, from where it will then be possible to get commissions. On a less stable market, such as consulting, personal relationships becomes more important, and efforts will then be directed at building and

maintaining these relationships. Albeit for different reasons, the results are that networks become important, as is the ability to realize what a good project is, and say no to those that are not. Seeing as to the impact of structures, we will remain at the macro level a short while before moving on to the meso and micro levels, and take a closer look at field-related effects on the theatre market.

4.4 Field autonomy and bases for trust

Out there, under the radiant sky,
They say 'To thine own self be true.'
But here, in the world of trolls, we say
"To thine own self be - all-sufficient!"

Henrik Ibsen: Peer Gynt

As the reader may remember from our taxonomy of trust in chapter 3, the conditions for trust are just as much about closing the gap of the unknown as about making the actual leap of fate. In the previous two sections of this chapter, we have focused on how ego- and altercentric uncertainty is alleviated on the market for theatre direction. In this final part of the chapter, we will focus more directly on the leap itself, or rather, how the actors in the field find ways to make their leap of faith seem legitimate and reasonable. The impact of field forces, which have proved to be underlying mechanics for both networks and identity, is as would be expected not absent in this aspect either. In chapter 3, it was argued that field forces might be likened to the magnetic forces that although invisible make iron filings form neat patterns when subjected to them, and, as we shall see, the forces of the field

has a similar impact on reasons for trust itself as it does on mechanisms for uncertainty reduction.

4.4.1 Legitimacy and trust

Even though the decision maker is free to choose project workers as she or he wishes, these decisions, and the reasons for trusting this person but not that, have to be legitimized in the eyes of others and yourself. Not all reasons fit into this category, however great influence they may have had on the final decision. In the theatre, only the field-specific capital, artistic merits, is officially acknowledged, although it is apparent that other forms of assets also play an important part. Thus, few directors would explain their choices in terms of calculated business strategies for career success, but rather along the lines of following their creative heart:

Well, I haven't been so career conscious, I'm not really the kind of person who says "I'm going there" or am very goal oriented, I go for, and have always done, what I want to do. And when it comes to contexts, I've gone for what appealed to me the most, "no, that's where I want to be", it's not always that it's a place that's considered superior, that has more prestige, but rather that I thought it was more exciting, the play was better, the people were more exciting to work with, rather than just being at one place because it might be good for your career.

However, when asked of which the most prestigious theatres and stages would be, most did not find it difficult to discern which these might be: "stora scenen" (the largest stage) at Stockholm City Theatre and the Royal Dramatic Theatre, and in addition to this, being able to work internationally. While there are of course other theatres in larger cities that may for different reasons appear more appealing to individual directors, the status or-

der is not unanimous, but no-one would answer “oh, that would be small regional theatre X up in the north” or “Fringe group Y”. That there is such a common perception of the market, and which actors are high status and which are low status, is indeed typical of a field, and the theatre here stands in stark contrast to the consultants, where questions on which consulting companies were the best or which clients would be prestigious rendered about as many answers as there were consultants, depending on their personal preferences and experiences.

As we have seen earlier in this chapter, social and cultural capital are inter-linked in the theatre and cannot be regarded as separate, but presuppose each other. One cannot be attained without the other. However, it is only half of this circle that is legitimate, and “out in the open”, possible to discuss. If managers choose to work with directors they have worked together with before, this choice is explained in terms of them, through their previous collaboration, having had the possibility to assess the capabilities of that director, and therefore choosing to work with them again. Not because of any personal bonds and sympathies, neither with themselves nor the company:

How much did you know about her?

A lot, I had seen several of her productions, and she's made several productions here, so she was well grounded within the theatre.

Was that something you took into account, wanting to pick a director who was familiar with the theatre?

No, it wasn't, I chose her because I think [X] is a really good director. It's not based on that at all. [...] I don't choose any directors on account that it feels good, a director is an artistic person who drives an artistic vi-

sion at the theatre, which means that it doesn't always feel good. Artistic processes are usually much more complicated than that.

Any suggestions of the influence of personal links seems to be shunned, at least to the extent that a manager would choose someone they like as a person, as opposed to the most interesting artist, unpleasant as he or she may be. Nevertheless, as we have seen earlier in the chapter, symbolic capital and access to networks can only be created through each other, enabling the actor to spiral upwards in the hierarchy, but at the same time ensuring that it takes ample time to enter the field.

A further implication of the dominance of the field logic is that not only is nepotism frowned upon, but also those actions that seem to be guided primarily by self-interest. If these seem to be your reasons for acting, then you cannot be trusted, for self-interest is not a legitimate reason for action. You are supposed to strive for the good of the field, and to jointly creating and acquiring more of the field-specific capital, not to simply look for your own pecuniary advantage – that is, promoting the art of theatre, and being part of its development. The creation of the field specific capital must be highest on the agenda, and if you act seemingly out of self-interest, your counterpart will become wary that the joint effort will not succeed in accomplishing this. It could be expected that this effect is stronger the more autonomous the field, and consequently stronger the field mechanisms. Thus, not surprising, the argument of working for the good of performing arts was raised quite frequently in the theatre interviews, but in the consulting case, only very rarely did anyone mentioned taking an interest in pro-

moting business practices in general in Sweden, or regarding themselves as part of such a movement.

4.4.2 Bases for trust

Comparing the two fields we have studied, we may also draw some conclusions as to the influence of field autonomy on trust creation. While social capital is certainly very important in both cases, it would nevertheless seem as though there is some differences. In the theatre, a largely autonomous field, there is consequently a much larger consensus of what experiences are valuable and which are not (although the topic of what constitutes good theatre is of course hotly debated, the status hierarchy is quite clear). The agents, and the positions they hold in the field are visible and clear to each other, and thus, when someone has worked on, say, a particular stage at the Royal Dramatic Theatre, or in certain contexts, everyone knows what this implies. This clarity, so to speak, of the field was especially evident at the Theatre Biennale, where the agents often argued and behaved exactly as could be expected given their position in the field: the young newcomers complained of the lack of innovation from the large institutions, the fringe theatres argued that they were the only ones really producing true theatre, and that the bare thought of any adaption to market demands was simply preposterous. Similarly, everyone seemed to agree on which people were to be revered (i.e. e those that possessed large amounts of symbolic capital) and which ignored (i.e. e those situated in the lower right-hand side of the field, for example one-man-companies working with theatre productions aimed at companies, for example to illuminate the importance of equal rights).

The consultants, by comparison, have much less knowledge of each other, and are also less unanimous in their opinion of what would be a prestigious or less interesting client, for example. Even those clients who spent quite a lot of money and time working with consultants did not have a very thorough knowledge of what consulting companies were available, and what separated them from each other. Instead, personal connections become immensely important. Only very rarely will someone consider hiring a consultant who does not come with a personal recommendation from a present or former colleague. As there is no shared social space, and no established scheme of evaluation, the effect will be a much more heterogeneous field when it comes to taste, and thus, trust at the interpersonal level becomes more important. An interesting parallel can be drawn to Möllering and Stache's study (2007) of business relationships in more or less institutionalised environments, and their finds that less dependence on institutions does not necessarily implicate less amount of trust, just different trust.

Thus, in the theatre field, more bases for trust become available than in consulting, where reflexivity in the sense of personal relationships remains the main base for trust, which puts more emphasis on the importance of personal relationships and makes them the main means of entrance into organizations and to commissions. In the theatre, by comparison, more bases are available, especially for those more established in the field, who are able to call on reason to a larger degree since their public reputation is on the line, and not only networked or first-hand reputation.(Glückler and Arm-

brüster 2003) In order for these public reputations to be upheld, the field requires the dense information networks we can observe on the theatre market, but which are to a large degree absent on the consulting market.

Secondly, visibility also potentially increases the demand for innovation. Bearing in mind that creative industries such as theatre are by their nature more focused on innovation, as every new production should present something new, while consulting to a certain degree lacks this focus, instead being more interesting in finding out what would work for a particular organization. Nevertheless, it would seem that one of the reasons for this difference, which reinforces a tendency possible already there in the first place, is the visibility of the service produced. Companies too typically want new ideas for organization and leadership, but it is usually sufficient if the idea is new to your own organization. It does not have to be new to the world – in fact, it probably better not be, as then you cannot be certain that it will work. While you want the consultant to adapt their ideas to your organization, you neither expect nor want them to reinvent the wheel for every new client they have. In theatre, on the other hand, every new production should present something that is in some respect new to the world, otherwise it will be perceived by you and others as stagnant and copy-cat-ish. And it is not enough that such a production has never been made in your theatre, since everyone involved will have had the opportunity of seeing your neighbouring theatre's production as well. In order to be perceived as new, a production must be new to the audience, in other words, not something they will have had the opportunity to see before. As the audience, so

to speak, are thus able to move from organization to organization if the result of the service is publically visible, their tolerance for repeats will decrease, and be circumscribed by how far the audience is willing and likely to travel, rather than what organizations they have access to. If the result of the service made visible and presented outside the organizational boundary, this means that non-members of the organization will be able to take part of it, and furthermore that they will be able to see more. This drives innovation, as the wheel will only have to be innovated once, and knowledge can be shared instantly, whereupon the next buyer and seller can build on that to achieve something new. Innovation is however not only possible, but soon requested, it becomes necessary.

The reach of the audience, in the literal sense of the spatial boundaries of the number of services they are able to observe, thus in effect determines what is perceived as innovation and new. In consulting, these spatial boundaries usually coincide with organizational boundaries. In the theatre, they differ: the audience is usually confined to one city, as few theatre-goers are so avid that they would travel across the country to see a play. Therefore, repeating an idea for a production originally made in for example Gothenburg in Stockholm will usually be perceived as new and interesting to theatre goers in Stockholm. Hence, you often see successful plays “tour” across the country, appearing in different theatres across the country within a few years, or, equally common, new plays and playwrights which have been successful in London or possibly Germany are picked up and presented as news in Swedish theatres.

While managers, producers and dramaturges they are a small part of the audience, they are arguably the most important part from a career perspective, for it is them that will provide future job opportunities. In their eyes, someone who repeats an idea that was successful in Malmö in Stockholm is clearly not very creative or interesting. Thus, the Swedish theatre market in effect becomes national, while the consulting market is often confined not only to one city but to those able to cross the organizational boundaries of the organizations you have been working with within that city. Indeed, having access to a larger market, and being aware of theatre in a larger geographical area is frequently a status driver in theatre – thus, a production regarded as innovative in Sweden may be effectively dismissed by saying that it is in fact not innovation, but something lent from, say, German theatre, although fellow theatre workers have not realised this due to their lack of insight in international theatre. Being aware of national and international theatre trends and developments thus in effect translates as being knowledgeable of the field, which, as could be expected in an autonomous field, serves as field-specific capital and thus as a valid argument and determiner of quality and status.

A wider consequence of this focus on innovation, as an effect of the visibility of the service produced, is that long careers become difficult to attain. In status- and relationship-driven markets such as the ones studied here, one would expect that the longer you are on the market, the stronger your position becomes. Hence, it may be difficult to gain entrance, but once you are

in, your position only grows stronger, both by the strength of your relationships (given, of course, that you are able to cultivate and keep them by consistent good work and friendly interaction). While this is certainly true, i.e. e that work gives you more work, the tendency is in theatre counteracted by the drive for innovation. The simplest way to produce something new is arguably to use someone new. Therefore, there is a constant curiosity and demand for the next big thing, the next interesting person. After having presented “your thing”, however, you must develop, present something new again, which many will find difficult to sustain in the long run - especially as there is a constant influx of new, talented and artistically interesting younger directors. If directors are typecast and put in specific market positions, as we saw earlier in this chapter, there are quite a number of these spots that are marked for “young and interesting” directors, as we saw earlier in this chapter, but you can only be young and interesting for so long – within a few years, you must either move on, or risk being dropped from the circuit. Hence, almost all who graduate from The Stockholm Academy of Dramatic Arts initially get work as directors – it is extremely rare that graduates become unemployed subsequent to their graduation. However, ten years later, the picture is very different, and even more so twenty years on. Very, very few directors are able to work with theatre directions until they retire, and one reason for this would be that it is tremendously difficult to be constantly inventive and interesting all that time, and not consorting to old tricks. Consultants, however, may very well continue their work, gaining in experience and relations, becoming more and more specialised.

Certainly, not all stay until retirement, but it would seem still a much larger part than in theatre direction.

A final note concerning trust is that the establishment of a field on the market also seems to influence whether trust itself is something that is legitimately spoken openly about. While the statement “It’s really all about trust” was recurrent in the interviews with consultants, this was rarely stated as resolutely in the theatre interviews. The reason, one might argue, being that “trust” in common use usually refers to interpersonal trust. Since their business operates mainly along the lines of personal networks, as we have seen, they had no qualms about stating an interpersonal notion as the cornerstone of their relationship with their clients. In the theatre, however, the field and its’ structures is much more important, both as an influence on business relationships, and as an explicit source of legitimate action. Therefore, they were less happy to put an interpersonal label on their relationships, much rather referring to artistic quality, relevance for contemporary theatre and so on, i.e. e the merits bestowed by the field as a whole, rather than the bond to any specific person in it. Trust was certainly mentioned every now and again, but then as a contributing factor, not as a cornerstone on the same level as artistic merits. This of course brings us back to the fact that in an autonomous field, only the field specific capital is valid. Personal notions such as trust and friendship are not and hence not something that any self-respecting theatre worker would make the cornerstone of their business. This difference in wording partly reflects a difference in the types of trust in the two markets – in consulting, it is primarily interpersonal

trust, in theatre, there is some interpersonal trust, but also a fair amount of system trust. Thus the experience of interpersonal trust does not become the cornerstone that it is in consulting, as it is supplemented with trust in the evaluation and norms of the field. The difference in description between theatre and consulting evident in the interviews is thus partly due to difference in cognitive frames, and the labels deemed legitimate as reasons for decisions and actions, but also reflects a real difference in the importance of interpersonal trust.

5 The second act: the client organization

In the previous chapter, we focused our analysis on macro level mechanisms and structures of the studied markets. While arguably it is on this level that many of the determining events take place that might explain why the leap of faith is taken in a given situation between buyer and seller, far from the whole explanation will be found there. Trust is after all primarily an interpersonal phenomenon, and as such can rarely be understood solely from a macro point of view. Furthermore, there is the issue of the client organizations. In the context of macro and micro level phenomenon, they are in many respects indeed a hybrid – on the macro level, they often act as agents in the same manner as individuals, being able to hold a position in the field, and constituting buyers or sellers on markets. From an individual's point of view, however, they tend to function less as actors than social structures, which need to be taken into account in the same manner as for example networks. In chapter 3, a more fully developed framework of organizations was presented, where it was argued that organizations may be regarded as spaces for polyphonic processes circumscribed by boundaries.

They are thereby able to act as agents from a macro perspective, but as social structures from a micro perspective.

In the following chapter, we will focus more closely on two aspects of the organizational part of the trust creating process: the need for crossing or otherwise overcoming organizational boundaries, and the need to be able to unite and collaborate with others within the client organizations, while not offsetting the interpersonal relationship with the trustor, the person who gave you the job in the first place. These two aspects highlight the characteristics of organizations, discussed in chapter 3, which set them apart from the social structures found on the macro level: organizations have more defined and less permeable *boundaries* than for example networks or markets, and therefore overcoming or at least finding ways to make these boundaries permeable is more critical when it comes to organizations, than for macro level phenomenon. Once you are inside, furthermore, organizations due to their *polyphonic and process-oriented nature* rarely present the neat and predictable order they may have appeared to have outwardly. Therefore, the service provider needs to find ways in which to unite this polyphonic process sufficiently to make the project reach its set aims, allowing for swift trust to develop within the project group, preferably without alienating or making enemies of the rest of the organization, or eventually having project members lose faith in you.

5.1 Crossing boundaries: navigating within the client organization

In the previous chapter, we focused our analysis on macro level mechanisms and structures of the studied markets. While arguably it is on this level that many of the determining events take place that might explain why the leap of faith is taken in a given situation between buyer and seller, far from the whole explanation will be found there. Trust is after all primarily an interpersonal phenomenon, and as such can rarely be understood solely from a macro point of view. Furthermore, there is the issue of the client organizations. In the context of macro and micro level phenomenon, they are in many respects indeed a hybrid – on the macro level, they often act as agents in the same manner as individuals, being able to hold a position in the field, and constituting buyers or sellers on markets. From an individual's point of view, however, they tend to function less as actors than social structures, which need to be taken into account in the same manner as for example networks. In chapter 3, a more fully developed framework of organizations was presented, where it was argued that organizations may be regarded as spaces for polyphonic processes circumscribed by boundaries. They are thereby able to act as agents from a macro perspective, but as social structures from a micro perspective.

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In the following, we will discuss these aspects of organizations, as they affect the process of trust creation between the exchange partners, beginning with management consulting, before moving on to the theatre.

In order to both secure and deliver a project, you have to be able to correctly interpret the structures within the client organization. As these are rarely available for those who are not part of the organization, the challenge for the service provider is to find a way in which to in effect cross the organizational boundary while still technically an outsider. While organizational boundaries may not screen off the organization to its environment,

they often enough seem to have the effect of screening off the environment from the organization. (Hernes and Bakken 2003) As was discussed in chapter 3, organizational boundaries may be seen as consisting of physical, mental and social boundaries, and while an outsider may not be able to cross both with less than joining the permanent staff, there are, as we will see in the following section, depending on the context different ways in which one or both of them may be temporarily crossed to the extent of letting the consultant or director learn enough of the organization to provide a suitable offer. When it comes to boundaries, there is also an implicit tension between being an insider and being an outsider for consultants. As we saw in chapter 2 when looking at management consulting, socio-political skills are an intrinsic part of consulting, and as necessary as technical skills, if the consultant is to succeed.

The reason a socio-political understanding is needed, of course, is partly the tension between being an insider and an outsider, which lies inherent in the nature of the service provided. On the one hand, consultants should be outsiders – after all, that is why they are engaged, to provide outside knowledge and ideas, and thus provide a means to knowledge transfer for the client. Their appeal lies partly in that they are outsiders, at least when it comes to the problem-solving aspect of management consulting. On the other hand, consultants should be able to understand the client company as though they were insiders, since, as we have seen, intimate knowledge of the socio-politics of the client organization increases the chance of succeeding with for example a change project. If consulting might be regarded as

taking part in the socio-political struggles and the ongoing negotiation of meaning of the organization, then being able to create unison in this polyphony is likely facilitated by an absolute pitch for these voices.(Bloomfield and Danieli 1995)

Furthermore, the closer and more trusting the relationship between the consultant and the client manager is, the more likely, as we have seen, that communication will run smoothly, which also makes it likely that the consultant who has become almost an insider is also the one whose cooperation with the client organization will run the smoothest. This holds true especially when the consulting services being bought form part of what would otherwise be the HR-departments internal work, and is to some extent an effect of the tailored and idiosyncratic nature of the services studied here, which require a high level of interaction and collaboration between consultant and client to be made possible, as in this example by a very experience consultant now employed in a small consulting company:

I think our business model is based on wanting to help the company where it is, we don't have a standard folder that we supply, "You should take this course, then the problem will be solved", we adapt the whole arrangement [...] above all we bring the company's situation into the classroom, so that they work with their own situation the whole time, and then we transform it, so that they work actively with their own situation using some theoretical models we've given them, they go home and work with that, then we meet again. So that there is continuous dialogue between the working groups and management.

The extensive interaction and co-operation that this kind of project requires might also have the effect that organisational boundaries become blurred within the project group, to the extreme, as has been shown in previous research, that the project group becomes closed off from the rest of the organisation, and to some extent becomes a world of its own, with their own norms and storytelling, in which case the risk is that the consultant has succeeded in bringing disparate voices within the project to unison, but at the cost of alienation from the rest of the organization. (Näslund and Pemer 2012) Thus, the very close and long-term collaboration between a small consulting company and the CEO at one of their largest clients, which in one sense was very prosperous, had also lead to the dissent from co-workers elsewhere in the organisation, who felt that the consultants were untrustworthy, and would not hesitate to go behind their back to the CEO:

Now, they've become so established here that I think they feel they're here to stay, which I hope they are not. [...] They seem to work quite actively to get into large firms, and then they live quite well off those firms. [...] What bothers me about them is that they almost try to cheat their client, to my impression.

This potential risk of alienation, and being seen as too intertwined with the client organization and therefore impossible to get rid of was something that the consultants were aware of too, as one consultant from another company explained:

It's about striking a balance as well, between identifying new needs, and call attention to them, without being pushy. [...] The best thing is if you do a good job, if you do that, there is almost always a next step to take. So in that way, you can build... That's how I see it, at any rate. Of course you

can't be shy, after all, everyone knows that that's your job, you have to find new projects, but... There has to be a balance.

Of course, there are many advantages this kind of close collaboration as well, not only in terms of being in a good position to secure repeat business, but also because it might have the effect of knowledge transfer not only from the consultant to the client organisation, but also in the opposite direction, as consultants use projects with trusted clients to test new methods, and develop new tools and processes, to their mutual benefaction. The extent to which this reverse knowledge transfer takes place seems to vary between consulting firms, in some cases it is mainly the aspect of increased experience for the consultants, while other consulting companies might go as far as to hire a new colleague in order to be able to serve the needs of an important client, with the intention of letting this first trial eventually grow into a new specialist competence for the consulting company, which might also be marketed towards other clients, in an almost amoeba-like fashion. In one example, a consulting company originally consisting of one freelance consultant developed a new coaching method as a result of a request of a new, large client, which then eventually became one of three main business areas for the consulting company, which subsequently grew to seven employees. The founder of the consulting company described his collaboration with the HR-director at the client company in earlier, expansive stages of their relationship in the following manner:

And a few times, especially since we've been working together so much, and I really feel like a partner to [client company] HR, that they... I can sometimes send an e-mail or call [the HR-director] and ask: "This is what I'm

thinking, do you think that it would work? Would that be interesting?" And then get his reaction to that. So he contributes to the development of my business.

How do you settle payment for this, do you define exactly what the commission is, and then that kind of discussions would be outside of that?

We don't settle it, you might say, there are no strict regulations. But generally speaking, if he calls me, then I send him a bill, if it's something tangible that I'm helping him with, but... We have one project now, they're thinking of making a formal training program for higher management. And in connection with that, I've helped them develop it for other parts of the world, and so on. And then I write a manual for it, things like that. And they pay half of that.

But then the manual is yours, you can take it elsewhere?

Absolutely, absolutely. Then to my mind it's mine.

In projects such as these, the boundaries between client and consultant seem to have become highly permeable, which of course allows for a high degree of mutual development of knowledge and experience. It also demands a high level of trust between the exchange parties, and moreover intricate knowledge of the other's norms and values, so as not to overstep the seemingly largely implicit limits for which of the partners might do what. This seems to some extent a delicate balance, which in spite of a relationship both parties regarded in favourable terms, and planned to continue working with, was sometimes threatened or offset, as in this incident described by the consultants:

We had a quite interesting situation a while ago. We [proposed a method], which lead to them developing their leadership profile, they defined a particular area. They did it themselves, but it was to a high degree the collaboration with us that gave them these ideas, and so on. Then at some point I said that I like this notion of what you call self-management. They had

made a very neat definition, what it meant. And then we said that since we're helping you with recruiting too, where we might look for this dimension, we understand what it is, and we like it too, so we'd like to take it with us. Would that be ok? And then [the CEO] was very: "No! You can't. It's ours!" And I felt a bit like "Ok, oops." He marked that boundary very clearly.

Now, in a trusting relationship, such unintentional transgression may be resolved and need not necessarily lead to a decline of the relationship, but the example nevertheless highlights how making boundaries permeably is not without difficulties, as permeable boundaries become harder to discern, and transgressions are thus more easily made. Furthermore, overcoming the boundary may also with time lead to the consultant no longer being perceived as an outsider to the desired extent, but in manner of speaking as an old worn-in slipper – comfortable and easy to wear, but hardly providing any new sensations.

We worked with a company for many, many years, we worked on all levels, we worked our way up and down the organisation, and then at some point, they said: "Ok, we need a new consultant, because we need to change now." [...] So that's quite common, you know. They simply want another trainer for their team.

This we saw already in chapter 2, that even the best relationships between clients and consultants usually come to an end at some point, because the consultants become too familiar, which may also be seen in terms of mental and social boundaries having been overcome to the extent that the consultant is no longer perceived as an outsider, but as providing more of the same ideas and mindsets that they client already shares with them.

The implication of this need of being a fresh voice from the outside at the same time as a knowledgeable insider is that the consultant must appear at once an insider and an outsider, and thus being able to alternately overcome and uphold organisational boundaries. However, having become too much of an insider is the risk of a close, long-term relationship. In the beginning of any relationship, and indeed further along the way too, since not all relationships develop to such an intimate stage, boundaries propose a challenge in another way, since they effectively seal the consultants off from information on the socio-politics of the client company which they need in order to make a good proposal and a project which fulfils it aims. In the following, we will look more closely at how this is achieved, and how consultants seek to gain an insider's knowledge of the client organisation, while rarely having the access that this would require.

5.1.1 Listening in on the organization

For the consultant, there is the added difficulty of having clients in different industries, or, even if they are in the same industry (it would seem that it is not unusual for consultants to focus on industries which suit the experiences they have and where they can become experts), prospective clients which do not all conform to the same organizational structures. The theatre, by comparison, is much adjusted to a largely freelance market, and higher levels of isomorphism, which facilitate for creative personnel to move between organizations and still largely know what to expect in terms of organization in each new theatre.

No such luck for the consultants, however, as their clients rarely depend on freelancers and temporary workers for their core business, and may exhibit considerably more variance in terms of internal organization, further complicated by clients being the local branch of multinational companies, which may have repercussions on the line of command. A vital question for any consultant when approaching a new client would therefore be who the important persons in that particular company are, and what their needs and preferences are. In short, the socio-political side of consulting, which, as we have seen earlier, is as important to master for a consultant as having the technical expertise required to solve the client's problem. Even in clearly hierarchical organizations, where you might argue that it would be self-evident who makes the decisions, this ability is essential - for if the decision maker is visible and powerful, it is reasonable to assume that they are also inaccessible and swamped with offers. Knowing which others are important and influential, and the decision maker likely to lend his ear to, will prove advantageous, as it is in all probability easier to gain access to them. One way of accessing this information prior to a project is during the first meeting with a new client. The explicit purpose of this meeting, at least on behalf of the client, is for the consultants to present what they have on offer, and how this may help the client company. However, since this meeting will typically take place at the client's offices, it also means that the consultants will have overcome the physical boundaries of the organization, and thereby have more access to what takes place within the organizational boundaries:

If someone is there on a [client] meeting, “I brought Tom”, you shouldn’t just say “Hi, Tom!” and continue the meeting with the [CEO]. Tom is there for a reason: 1) Tom is going to be responsible for the project in the end 2) He really believes in Tom, who’s up-and-coming 3) Tom has a say in most things that happen here. So that’s why it’s much more interesting, it might be hard to get an appointment with the CEO, and then you might call Tom afterwards, find out who he is, call and say “Hi Tom, I’m sorry, I hardly had a chance to talk to you, do you have an hour?” It’s the best sales technique there is, Tom rarely gets booked for meetings, Tom’s new on the job. It’s this that’s doing sales, and that’s what you miss out on a lot of the times in the usual...

The interviewed consultants had different strategies to acquiring this knowledge – doing research through all possible channels in order to gain insight into the organization:

Get to know the people and the organization and everything, so that the later, when we run our stuff, we say that we should be able to fill a permanent position in the company, we should know them that well. [...] A lot of the time, we know the organization much better than they do themselves

Another way of achieving this was by offering a free workshop on condition they got access to interview everyone they felt was important in the client organization. This strategy, which was often described as such in quite explicit terms by the consultants, but only rarely alluded to from the client side, may also be understood in terms of polyphony: since organizations are polyphonic, it takes time to understand them, since each voice has their version of what happens within the organization and why, as a result of the different interpretations made by the members of the organization. Al-

though frames of reference may be collective, sensemaking is individual, and so each organization will harbour many stories. Another way of attaining this knowledge is, as was discussed earlier, to find an advocate within the client organisation, who wants you to be there, and will help you out by explaining the internal struggles, and different fractions or parties within the client organization. (Ulvila 2000) The way this would seem to work is by initially creating a relationship with one individual or group within the organization, which will then become your accomplice, so to speak, paving the way, and acting as your guide, so as to end up with a signed contract and a project ready to go. In order for this to work, however, the consultant needs to be aware that this first contact might indeed serve this purpose, and are to be listened to very carefully when planning ahead for the next step in developing the relationship and winning the contract. Often, the background story to why a consultant is asked to come with a proposal in the first place is more complex than outward appearances might give the impression of. One failed attempt of creating a new contact was related by an HR-manager, who had come to the client company a few months earlier. The company were in need of consultants to help out in an on-going project to improve sales skills within the company, and while they had a current supplier, he soon found out that this supplier was well-liked by the CEO, but not by the HR-department, who had taken things in their own hands and started looking for possible replacements to their current supplier. Partly because he was himself not happy with the current supplier, and partly because to show respect to his new co-workers, the manager decided to meet with the new consultant, and was convinced:

I thought it was so good, I persuaded [the CEO] to meet them as well, and the rest of the executive board, and told them that these are really good, we should meet them. They did a really good presentation of their proposal to me and [my colleague], and it was a sensible proposal, with a completely different plan for the process than with [our current supplier]. But then when they presented to the executive board, they did a really bad presentation, much worse than the one he presented to me. So I had to apologize, if anything, to the others, say that I was sorry I brought this dimwit here.

Did you talk to him afterwards?

Yes, and he thought it went well. So obviously, he has no feeling for this kind of thing. And then I thought, a person who's going to train our employees, and has such low level of intuition and feeling for these things, I can't let him loose on the organization. [...]

But before this meeting, had you prepared for it, what was he supposed to talk about?

Well, he was supposed to present the proposal just as he had done for me. I'd made sure the quality was right, if he had stuck to what we agreed, he would've been fine. It would have worked. I instructed him, and told him that there are some people who might be quite hard to convince in there, because there might be some loyalties to other consultants, so this really has to go well. Maybe that just made him nervous instead, but you should be able to deal with that as a consultant, if you can't do it, do something else. Because if you want to succeed as a consultant at this level, you have to be able to sell yourself to the executive board, and normally, you need the CEO on board as well, and then you can't fail like this, because CEOs are generally quite sullen people, who think you're using their time in vain.

As we can see from this example, failing to listen, and being unaware of what developments have precluded the decision to bring in a consultant, may prove fatal to new business. Furthermore, such a failed meeting will make future business unlikely with this client not only because the consultant failed to impress the CEO and the rest of the executive board, but also because his failure made his advocate lose face internally, to his colleagues,

and made this former advocate very reluctant to trust them again. Thus, the contact that might have provided a way in turns instead to a closed door, which bars any further attempts to gain entrance for the time being.

However, although organizations are thus inherently a polyphonic, this does not implicate that they necessarily follow Bakhtin's ideal of equality between voices – rather, some voices are likely to become dominant, while others languish unheard in the shadows. Such hegemonic stories or interpretations may also be seen in terms of mental boundaries, as they define the shared or at least most widely accepted beliefs and frames of reference of the organization. In the following, the consequences of this polyphony, and how this organizational quality is dealt with by the professional service providers, will be discussed. It is a case of at overcoming boundaries, and using the advantage of having temporarily crossed the physical boundary to also overcome the mental boundary by way of decoding the polyphonic organization, so to speak.

5.1.2 Deciphering polyphony

The frequent inequality between voices is something which consultants certainly seem to take heed of, for if there is a deal to be made, it is of course important that the contact that you have at the company is also has a powerful voice enough to be able to convince others. The problem is two-fold: firstly, you need to earn the trust of your contact, second, you need to have gauged that person's strength of voice correctly, so that a deal actually goes through. The way into an organization is often described as going through interpersonal trust, sometimes gained through approaching that person, but

much more common through links of interpersonal trust – having earned the trust of one person through earlier co-operation, who then is trusted by someone in the prospective client company, and through the recommendation from the person you have worked with earlier, you gain access to your contact at the new company. In other words, by overcoming the social boundary, you are able to tap into the stories of the organization, and thereby form an understanding of the frames of reference behind the mental boundary.

This process of using one boundary to overcome another may be exemplified by the following account from a consultant how he came to work with one of Sweden's largest construction companies:

But what happened when I met [the HR-director], it was one of his staff who I knew already, she'd taken part in a management training programme that I arranged. Well, we were put together so to speak by her, who knew me from before. [...] And she told me that "My boss, he comes from the information department, and he knows nothing about HR, and he wondered how to tackle this new area. And he said he'd like to see a consultant for a day." And so I called him. Of course, I was a little nervous, because he is on the executive board at [the company], and he wants to see me for a whole day, that's quite demanding. It'll be great if it goes well, but at the same time it was a bit awkward, I wasn't sure what he wanted, and it was like, are we supposed to sit together for a whole day, what if I haven't got something good to tell him? But then I remember I called him and asked "What is it, then, what do you want?" "Well..." He was a bit like "I don't know!", he joked a little and said "I don't get it with this stupid HR-thing, and people... It's really weird, I don't get it at all. So you get over here for a day, and teach me everything, and it mustn't cost anything" I remember him saying that. And then I answered that "Yeab, sure, that seems obvious enough, "nothing" is 20 000 SEK"

“Yeah, fine!”, he said. [...] And then we met, and then I remember that I quite liked him from the beginning, he was a fun guy, and a bit different. [...] And then he described some problems, and I thought it was quite obvious why things weren’t working there. [...] And so I gave him some feedback about what impression he makes on others, what kind of person he seems.

This beginning evolved into a longer relationship, and quite extensive co-operation, where the consultant started off by coaching the HR-director in his new position, and later became part of the company’s leadership training program, coaching select managers throughout the organization. While the process seems easy enough in examples such as this, when it is successful, other less fruitful endeavors show that this process of trust creation may be quite fickle, either because the consultant does not live up to the expectations of the buyer at their initial meeting – so it was described by an interviewee from Beta’s HR-department how, before they chose to work with Alpha, they were in contact with another consulting company, but that consultant just seemed inappropriate, not energetic enough, and would probably be unable to assert himself to the company’s CEO. This brings us to the second obstacle, so to speak, to be over won, namely the shift from your initial contact, even if you have acquired his or her trust, and the strength of their voice within the company. If their voice is one of the shadow voices, it helps little that they speak to your favour. Furthermore, if you realize this too late, the problem might be difficult to remedy, for even if you after a while gain enough insight into the company to know whose trust you really need to win, it is not unproblematic for your relationship with your first contact to circumscribe them and go straight to the person

in charge. Such behavior was often seen as treacherous by the client representatives interviewed, and so, as one consultant described it, the only solution available is really to sit and wait:

It took almost a year and a half from the first meeting until the deal was finally signed. That was a really long acquisition process. [...] We had quite a good dialogue with this person at a local level, what he could achieve, and what we could do to try and support him. So he tried to push the process to the best of his abilities. It was one of those typical examples where... There was someone else who had some other idea, and then it all came to a standstill, and then he tried to push for us again, and then it was finally decided "Enough, let's do this!", they had already decided to do something, but... The resources were there and everything, but still, to reach a decision. So that's quite a good example, even if a year and half is quite a long time.

As is evident from this example, even if the client company has decided to buy the service, and you have gained the trust of an "insider" who pulls for you, the polyphonic nature of the organization, and the difficulties of mastering the ongoing processes within it, makes it less than self evident that the deal will go through even if that first step has been reached.

One way in which the consultants try to forestall this kind of situation is by carefully selecting who to approach in the first instance, and use previous contacts primarily as a source of information about the internal power structures of the company, and as a means through which to gain access to the right person - as was described in the case of the construction company. Several of the consultants described how they took great care to try and gauge as much information about the company as possible before ap-

proaching it, in other words, trying to catch the sound of the different voices within the company from the outside – what are current problem areas, who thinks they are problem, what position are those in, what is going on currently within the organization. “Doing your homework” in this manner, as one consultant described it, usually paid off, both it made you more likely to gain the trust of your initial contact, and because it made it more likely that your initial contact would be able to close the deal on the company’s behalf. Apart from the obvious reason that you had built a higher level of trust with your contact, this was also the main reason why selling more services to an old client was usually more likely to be successful than finding a new client: once inside the organization, the consultant was able to gain much more nuanced information about the organization, and thus would be able to tailor his actions within it to suit.

A fickle game, however, as was shown in one of the studied client-consultant relationships (here called Beta and Alpha), where the leading consultant from Alpha realized after the proposal was completed that although the HR-director formally had his own budget and held the mandate to make the deal on his own, in reality the CEO had the last word. After the acquisition process came to a temporary standstill, the consultant decided to go directly for the CEO, armed with the suggestions and ideas of the HR-department and presenting them as his own, so as to make an insightful and thus trust-enticing impression. Obviously, the HR-department was to find out at some point, but the consultant made the assessment that that voice of discontentment but be sufficiently in the shadow not to be able to

influence the process. However, the plan backfired, as the ever decision-hesitant CEO decided to double check with HR before signing, who of course recognized their own ideas and were not impressed. While demonstrating the difficulties of governing organizational processes, this incident also led to a permanent damage to the level of trust between the consultant and the HR-department, and some lasting resentment from the client side.

Gaining the trust of more parts of the client organization than your initial contact proved necessary not only to get the deal signed, however, but also to perform the service itself. As the acquired service often involved changing the client organization – making the tight-rope walker move in a certain direction – this required the trust of the employees within the company who were to push for the change, as related by one consultant:

Well, it's rarely the person who signed the contract who wants to throw you out, but quite often those who are in the room [when going through sales training] think that I'm a big... idiot.

Is that why it's important to have support from management?

Yeah, we've got to have them on board, and we've got to explain to them what we're going to do. [For those who are going through the training], what has been good for fifty years, maybe not the past ten years, but forty years, that's what's taken these people to the positions they have today. So that knowledge, all that experience, now we're saying that "Sorry, it's not good enough, you have to do this instead". And that can be quite difficult to hear, when you realize that... "Christ, I've sold so-and-so much, and I've been the best salesman for twenty years, I've been doing this, and then this geezer walks in and says I'm not good enough?!" But that's how people see it a lot of the time, they take it quite personal. And how far can you push them? [...] Because we're standing just in front of them, telling it how it should be, and then we ask them, do you agree?

And then you already know that...

Yes, you know exactly, that they don't. [...] And then often they resist and disagree, and there's a lively discussion, and we can't influence it unless we're dead certain what [management] wants. But we can't govern the discussion, because you can't ask that person to think differently.

The polyphony apparent in this description might not be present in the initial sales meetings, but the discrepant voices being heard here are more likely than not present in the organization – otherwise, one might argue, it would already have solved the problem by its own accord. The ability to change or render mute these voices was also something some of the client representatives highlighted as one of the most important skills of a consultant; in some instances it may even be argued that the service the consultant was brought in to perform was exactly this: to govern the polyphony, to help push the organization in the desired direction. The vehicle for this inherently had an element of trust – if the employees could be made to trust the consultant, then they were likely to think differently, and change their voice.

However, in order for this to be successful, these other voices have to be anticipated, and given allowance for in the design of the change process. This may not prove so easy, as they might not be given space in the meetings with management where the process was developed, and thus it was found that consultants developed a number of strategies to solve this potential problem. The simplest was of course to get access to and talk to members of the organization other than management, or at least other than those members of management who procured the service. Such access might not always be possible prior to signing the contract, however, and as

both consultants and clients stressed the importance of detailed contracts as a means through which to decrease risk and uncertainty, the process often had to be designed before these voices had been accessed directly. A second strategy, somewhat more jaded and cynical perhaps, was developing a proxy for those voices not heard. One senior consultant described how there are always those who are malcontent, who unwilling or unable to change their way of thinking and behaving – you know they will be there before you have heard them. While there might be some truth to this, like all proxies it has the shortcoming that it is inexact – you will not know exactly who is disinclined to change in the sought after manner, or for what reason more specifically. A third, and perhaps more subtle strategy, brings us back to Bakhtin and literary criticism for a moment.

In a development of Bakhtin's ideal of polyphony, it has been suggested that polyphony might not always function as directly as it is to be found in Dostoyevsky's novels. In an analysis of modernist and post-modernist examples, Masayuki Teranishi (2008) shows that polyphony may be shown indirectly, through the use of unreliable narrators and focalization. In other words, even if there is a scarcity of persons being heard, such as when the story is being primarily told by a narrator, more voices may still be accessed. An unreliable narrator gives room not only to his or her own voice, but also allows the careful listener access to another voice, a shadow voice that is visible through the cracks in the narrator's account of events.

A similar method is described by some of the consultants interviewed, as they tell of how they always try to learn more of the client organization than is said explicitly in the meeting room. Who is listened to, who says what, how are the problems described? It takes skill and experience to interpret and gather not present voices, while not overinterpreting and adding voices that were never there. For those that had mastered the technique, they often described it as one of the most important skills for a successful consultant – both in gaining the interpersonal trust of your initial contact, and for gaining the organizational trust necessary to land and successfully complete the project.

This knowledge could then be used in order to ensure implementation of the suggested changes:

And that's why we have to get support at such high places in the organization, because after a while you start looking for cracks in this façade, is management supporting this, we talk a lot with influential persons. We make a thorough mapping of the client, who is it that really has a say in this organization? Unless we've got them on board, this isn't going to work.

Being able to master this social game is however not only important to the consultant, but also for their counterpart within the client organization, if the proposed project is to be given the go-ahead. For example, a client might consciously choose a consultant who is likely to be successful in convincing important but hard-to-convince internal actors, as one HR-director explained:

Did you consider whether [consultant X] would make a favourable impression [on the CEO]?

Yes, we were well aware of that, and if we... Actually, it's good that you mentioned that, because we made a... That is, when we chose who we were going to put forward, that is, which [consulting] company, then we knew that if we sent the wrong guy, or girl, then they would just be eaten alive by [the CEO], and then he would put a stop to everything and we wouldn't be allowed to run anything. We knew that. And with [consultant X] we had the impression that she would be able to handle [him].

So that's why you chose her and not [person from consulting company B]?

Yeah, that's why we chose them, and not for example, there were several reasons why we didn't choose [consulting company C], but if we had sent in [C's representative] to our CEO, that would just have been il catastrofe grande. He would have been completely crushed by [our CEO].

To navigate this game requires intimate knowledge of the social codes, both seeing them, and interpreting the signs right. In order to be able to make these observations, the viewer needs to have a well developed sensitivity to the nuances of social interplay, seeing who is taken notice of, and who dismissed. Having an eye and understanding for the small, small nuances of organizational life is essential to attain and uphold the necessary trust in the client-consultant relationship, as one consultant explains:

How do you weigh the ability to see the social game in comparison to knowing about the subject you teach your clients [when assessing a consultant]?

No, I think that, actually, if I, if I were to chose, then in nine cases out of ten I would... no, in ten cases out of ten, I would chose someone who has the ability to find their way in, in... Who has that social... I hate the word social skills, I'm not even going to use it, but who has the ability to... yeah, understand, read, listen, sense. When there are two of us in a meeting, for example, then I've begun lately to ask the person who was there with me: Well, how did you feel about that? We go around the room: who really makes the decisions here, what do you think?

You kind of, almost paint pictures around people, although we don't know really, and it's scary how often we're right. When someone says something, small, small, small nuances in how it's said. If anyone listens, who they listen to, do the others go silent, look in that direction, or do they just wait, or... These small, small things.

Possessing this eye might possibly be brought down to aptitude and interest, but correctly interpreting what you see, and furthermore being able to improvise upon this interpretation demands a thorough knowledge of that non-negotiable framework of the field. The trained ear for the fine nuances of organizational life provides the tools with which to unveil the social game, while the habitus provides the frame of references with which to interpret the findings: knowing which actions would be a faux-pas, and to understand the snubs and accolades as they are intended, unless the consultant is to face the same failure as the hapless consultant we saw in a previous example, who failed a vital meeting with top management, and thereby lost a potential contract. This social knowledge forms a not unimportant part of the consultant's skill, and, as has been suggested by previous research, is essential for success. (Bloomfield and Danieli 1995)

As embarking on a project to change the organization together with a consultant always carries with it a not insignificant amount of uncertainty as pertains the outcome, the element of trust is vital in the client-consultant relationship. The habitus, it has been argued, forms the nexus where the norms and values of the field are incorporated, and through the agency of the counterparts transformed into action. It provides an appropriate room of possibilities, where improvisations can take place, and the sensitivity with which to evaluate and appreciate them. Indeed, based on these interpreta-

tions, the leap into the unknown land of expectation will seem much less daunting, and thus trust can be attained. By using preliminary meetings not only as part of the sales process, trying to convince the prospective buyer of your excellence, but also as an opportunity for information gathering, with enable both more suitable offers of service and eventually more successful projects, consultants may end up in a more advantageous position for making offers that seem suitable enough so as to seem trustworthy. Since these meetings typically take place within client organizations, they provide an arena within physical and to some extent also social organizational boundaries, which gives access to the voices and processes within the organization.

However, since the organization is not likely to be completely stable, this information will have a short sell-by date, as things continuously change within the client organization – new people are recruited, new issues top the agenda, and so on. Hence one of the reasons for the advantage of having repeated business with the same client – a consulting project will of course to a much larger degree provide an arena inside organizational boundaries, and for a longer period of time. During this time, enough information might be picked up about the client organization so as to make a suitable offer for a new project. Now, this may give the impression that consultants have a hidden agenda of constant spying on their poor unwitting clients, but it is of course not really a case of the client organization as unsuspecting provider of information they would rather not part with. In fact, the client organization has more to gain than to lose from the con-

sultant having this kind of information about them, given that they have the tact not to share this information unwisely with other clients – which most consultants would never do, since it would ruin their reputation and relationship to that client. Rather, by so to speak creating a breach in the organizational boundaries that allows for the consultant to access the information they need to make a suitable offer, the client organization is able to fulfil their need for outside input – after all, it is not only the consultant that requires information and knowledge about the client, the point of the service would usually be to provide the client with knowledge and skills from the consultant.

In conclusion, we have seen how the organizational boundaries of the client both facilitate and pose an obstacle to being able to create trust between the consultant and the client. They facilitate trust, because they put the consultant in the position of the external expert, whose knowledge is sought after by the client, but at the same time, they pose an obstacle, as they limit the consultant's understanding of the polyphonic landscape of the client organisation, which is however required in order to successfully navigate within the client organization, both to strengthen the exchange partner's trust in the consultant, and in order to move from an interpersonal to an interorganizational relationship between client and service provider, which requires trust to be formed with more organizational members, which is normally also required to succeed with a consulting project in the first place. Having now focused on consulting, we now shift focus to our second market, that of the theatre, to see what takes place at the organizational

level there. In many respects, the issues are common; however, there are different aspects that become more vital in this context, largely because of the high frequency of freelancers in all artistic positions, which in turn creates a different kind of organisation, possibly with more permeable boundaries to begin with.

5.2 Being “in the house” at the theatre

Returning to the theatre and to the notion of boundaries, directors need often be less uncertain about the power structures within the theatres, at least not in the institutional theatres – which on the other hand are those that can afford to employ outside directors. Fringe theatres often recruit directors solely through connections, or use directors that are part of the artistic core of that theatre, albeit not the permanent staff, and thus directors working at fringe theatres will most likely already be well informed about the inner structures of the organization. Fringe theatres may be more democratic and less hierarchical, but in institutional theatres, the manager usually has more power – on the other hand, larger organisations allow for more complex internal politics.

Who makes the decisions in a theatre?

The manager does. [...] To a hundred percent, definitely. At least in the theatre where I've been. Then I think there might be theatres where, I'm on my way now to a theatre where I haven't worked as a director before, [leading theatre X], and there... It's such a large structure, so it's more blurred there. You get a clear sense that there are sometimes unofficial power structures, which are a little hard to understand. And that might be... Well, it's a little tricky when you're working somewhere for the first time, you know, to really see how it works. But in the theatres where I have

worked previously, I've had a very clear sense that if it's an institutional theatre, then it's the manager who calls the ropes.

However, this does not mean that there is no need to overcome the organizational boundaries at all, for while the amount of uncertainty of what takes place within the organization may be slightly less, at least in terms of who has the final say on whether a production should go ahead or not, there are still many other details that the director will find helpful to know not only to “sell” their idea, but also when working with the production through preparation and rehearsals.

The difficult thing about being a freelancer, that's that you're in so many different places, you never have the time to understand properly, before you're already leaving. Who you really should have talked to, or who you should have treated in this way or the other. So it was so convenient [when I returned to theatre X], to be able to go into something where you know exactly who you should call about what, and... But that's because I worked there for so many years, and it's a place where people stay on, as well, so that's a special case. But for me, it's very, very convenient and easy being there, because I know how things work, and how to get along.

That it is certainly an advantage to be familiar with the theatre where you are going to be working is also evident in another director's account for when he, as one of his very first productions, was given the opportunity to direct at one of the most prestigious stages in the country:

She [The manager] knew that I know this theatre, I practically grew up here. That was really an advantage when I came back, I knew the codes. I knew how you should do it, I've worked here as a technician, as a stage manager, I knew every nook and corner. I could... I was humble, not too cocky, but still very resolute, I knew exactly what was demanded by a director.

A young director might become incredibly pretentious, incredibly demanding. The great artiste walks into [this theatre], and is pulled to pieces immediately by actors and technicians. [...] What worked to my advantage, I think, was that I was quite well established as an actor at that point. And that meant that everyone knew who I was, and they knew from [this theatre], since I had worked there previously. All of these components put together made it work. I didn't need to be authoritarian; they created my authority for me on my behalf, somehow.

This last example also highlights that not only will familiarity of the organization be an advantage, but the director's position in the field will carry inside the theatres as well, and so regardless of whether he or she has worked there before, their field position and artistic identity will bestow them with a certain respect and status during rehearsals. While social boundaries are often more fleeting in the theatre, or rather, to a lesser extent coincide with organizational boundaries, as the social boundaries of networks may be more exclusive and difficult to gain entrance to than organizational boundaries, this does not mean that boundaries lack importance. Physical boundaries are often quite important, and especially in larger theatres, interviewees often used the expression "in the house", meaning presently engaged in some fashion at this theatre, as when a dramaturge explains how her department works:

Then directors come to us as well, and look for plays. They come to us and say "I don't know really, I'm doing something..."

To you?

Yes, to me, or to the manager, or to one of us here who read, and go: "Do you have any suggestions for a classic? Do you have any suggestions for a new play?" Or sometimes plays come here that we find interesting. And instead of going to the manager, we sometimes go directly to a director, and say "Read this play, see if you like it."

How do you find those directors?

Well, they're in the house.

The advantage of being "in the house" is also apparent in the account of a director, who also worked as a manager of one of the smaller stages at a theatre, and was thus permanently "in the house" – as he, as part of management of the theatre, had primary access to the ideas for new plays not only for his own but also other stages within the theatre, he was in a pole position to pick and choose the projects he was interested in directing.

However, the dominant role of the theatre manager means that even if a suggestion is well suited and anchored to the remainder of the organization, if the manager is not convinced, then the production will most likely never happen – which, if the manager does not have the heart to say it, can result in long and fruitless processes such as in this example, given by a director:

No straight answers, one way or the other, but... I think it went on for five years, first I got a bit of that "Yes, but how many productions have you done before, do you have the experience?", and then it was "Well, I can't make decisions like this, my ensemble have to consent, and if you can find a play that some of the actors like, then..."

Did you try to do that?

Yes, I found a play that the two leading actors really, really liked, but then suddenly he wasn't so sure, maybe that play wasn't quite his cup of tea – well, you know. I thought there was so much stalling all the time. To me, that's quite painful, I prefer someone who'll say straight from the start "You know, I don't think you're quite right for our theatre, bye!" Because, well, it doesn't make you happy to hear it, but it's still much easier than five years of "well-it-sounds-interesting-but".

With such a large part of the core personnel not on the permanent staff, as an increasing amount of creative personnel are freelancers, the theatre have as much need to cross organizational boundaries as the directors. Several of the interviewed managers had tried to develop systems or structures to tie freelancing directors and playwrights more closely to the theatre, to give them a sense of coherence and community, and furthermore provide the ensemble and other permanent staff at the theatre with creative input:

But there I had an idea that I sort of got from the university, where I had a team of teachers on the staff, and I thought, let's create something similar with directors here, because we don't have any directors on the permanent staff, but there is a need for continuity in the organization. And then I think it's good if the directors that we work with are a limited number, that they are outside the house all the time, and add new input from other places.

These attempts however to still appear to be in their infancy, but it may well be possible that as freelancers become more frequent, the creation of such alternative structures for bringing creative personnel into the house on a slightly more permanent basis will become more common.

Furthermore, overcoming mental or social boundaries seemed to take much less effort in the theatre than in consulting. The main reason for this may presumably be sought in the nature of the clients: in the theatre, all clients are situated within the field of theatre production, and thus permeated with the norms and beliefs of the field. Although there are of course nuances depending on the history and position in the field of each individual theatre, they will tend to share a common system of evaluation and convic-

tion of the doxa. Therefore, the need for eavesdropping strategies, such as was described in the case of the consultants in terms of indirect polyphony, are much less pronounced. Instead, physical boundaries gain importance, as social and mental boundaries are comparatively weak – in an industry where freelancers are the norm, social boundaries are likely to only partially coincide with the physical boundaries of the organization, and mental frameworks are often in effect shared within the whole industry, rather than within one particular organization.

In conclusion, it would seem that being able to overcome organizational boundaries is vital for consultants as well as directors, although the consultants may have a somewhat higher level of uncertainty about their client companies due to a comparatively lesser degree of organizational isomorphism amongst their buyers in comparison to theatres. In both cases, however, it has been shown how physical, mental and social boundaries may be overcome separately, so as to gain insight into the power struggles and current events within the buyer organization. Furthermore, by not crossing all boundaries at once, clients and consultants are able to uphold a sense of relative independence, overstepping boundaries but not merging, so that the client may retain a sense of integrity, and the consultant retain an air of outsider providing novel insights and new perspectives. Thus, the multiplicity of organizational boundaries is used to allow organizations to become permeable enough to allow for intervention and influence from outsiders, yet distinct enough to retain the organization and prevent it from disseminating into the macro level. From the perspective of professional service

market interaction, boundaries are arguably one of the defining features of the organization. Therefore, it is not surprising that the buyer and sellers on the market display some skill in making use of these boundaries, so as to allow the organization to act both as a market player and a social structure.

5.2.1 Swift and sticky trust in theatre productions

Theatre is by nature a collective art form, and therefore, it is vital for the director to not only have a vision of his own, but also to be able to convey this vision to others, and to convince them that this is a good idea, and that he or she can be trusted to lead the production process and specifically the rehearsals to a successful end:

A director can't do anything, unless he gets the actors on his side. That's the most important thing for a director, being able to work with actors. And give the actors... They need an eye from the auditorium, who they trust, and they also need a creative person, who analyses the performance, and gives it structure. [...] The individual actors can't do that, they can't have that overview, it's impossible.

It is the task of the director to bring together these different voices, and unify them into his or her own vision of how the play should be performed. If a director is lacking in these skills, and rehearsals end in chaos and disappointment, neither actors nor manager is likely to be very tempted to continue working with that director. A director cannot work without actors, and so every director needs to be able to find actors who will be willing to work with them. Thus, the actors, although rarely individually powerful, cannot be dismissed, for any manager will think twice before inviting a director which few actors can work with back, in comparison to one which

any actor can work with. Such a director needs to deliver better results, in order to make it worthwhile to go through with those special arrangements.

Now, there are a number of directors who I've tied to the theatre, who are doing a number of productions here over the next few years. They are exceptionally talented.

Is that both in terms of working conditions during rehearsals, and of the end result?

Yes, both the result and that they are able to lead the work. To me, that goes together, being a good leader, and being able to realize your vision. Sometimes, people are able to carry through their vision, but they're not so good with leading and organizing the work, and then you have to be more specific with their engagement in the future.

What do you mean by specific?

Well, what kind of play it is, that the people involved are... These directors I mentioned, they can work with everyone, but there are directors who want things just so, and then you have to tailor their projects, so to speak.

The successful delegation from manager to director depends on two aspects: firstly, that the director has a vision for what the performance and interpretation of the text should be, and secondly that he or she has the means with which to convey and convince this vision to the cast and others in the production team. This latter aspect of being able to convey their visions in an understandable and convincing fashion is something which is seen as a vital part of the skills required of being a director, to the extent that students at The Stockholm Academy of Dramatic Arts receive specific training in it as part of their training program:

What [The Stockholm Academy of Dramatic Arts] have, which is quite unique, is that we have something called "the theatre class", you have four students in each program, which means that they can work in complete

teams already within the school, where each student will have their professional role. One stage designer, one dramaturge, one director. They do three productions together during the program, what we call the big practice productions. Two here, and then one at a real theatre. Of course, they're all students, and are going to work together, so it gives them incredibly valuable experience in how you engage people, to be able to communicate.

Although, as could be expected from a labour market with high rates of unemployment, actors commonly seek to do their best so as not to be regarded as trouble makers with difficulties of collaboration and adaptation to the ideas of others, it is not uncommon that rehearsals form a rocky road. There is some acceptance or even expectancy of this - several managers pointed out that creating a performance is no easy feat, especially not for the actors, and so there are often periods where the actors feel uncertain of where they are going with their character, and in which direction the production as a whole is heading. This uncertainty of course largely stems from the uncertain nature of theatre as an art form, where in six weeks a text, a stage and a group of actors is supposed to transform into a coherent, convincing and moving performance, the manner of which is very open-ended. Therefore, a difficult production process may well lead up to a performance which is considered good, and vice versa, smooth and enjoyable rehearsals may result in a sub-standard performance, as in this example given by an very experienced actor of a recent production process at the theatre where he worked:

Suddenly, it was a fantastic production. [...] Even as resolute an actress as [leading actress], she said afterwards: "Even if it's only three lines the next time he's coming, I want them!" And she had, she called sometimes [when they were rehearsing] and said "No, I don't get what this is supposed

to become. [...] But the story in itself is fantastic, of course.” So she got more and more into it And then she didn’t want to work with anyone else but [that director].

It should be noted that the doubts that the actress in question apparently had during the initial part of the rehearsals was not voiced openly, but rather discussed with a colleague. During rehearsal work, disbelief was suspended, and the actress seemingly acted as though she trusted, suspending judgment until rehearsals drew to a close. Thus, the swift trust formed ex ante is not hastily discarded before the play is finished. This is not to say that it is unheard of that actors could lose faith altogether. Although it is very rare, there is a real possibility that the director be exchanged if the rehearsals run into too many difficulties, and the cast cease to believe in the director, as one actor explains:

It has happened a few times that the director has been replaced. It could be that the actors say no, we can’t work with this... He has no conception about this, he’s not prepared, he doesn’t understand what this is about.

The rehearsal process thus demands a certain amount of trust in the director, and their ability to have and convey a creative vision of how the performance should end up. This element of trust is to some degree provided by trust in the system, as roles are clearly defined, and participants trust in the evaluation of the theatre field as a whole, and the position granted to directors and actors in that field. Thus, depending on the status of the director, he or she is granted more or less license, before initial trust levels are affected:

It's different, yes, you could say that because people who have been in the profession for a long time, well, they have a more solid basis when they do this. They often have strong relations to the actors that they suggest. And for that reason, it might be easier for them to succeed in getting a strong cast, for example. [...] Older, more experienced directors usually have a lot of experience of working with many others, many actors. And that means that they, well, they can engage others for their ideas to a higher degree than someone who comes straight from university, who wants to work with those actors. Actors can sometimes be a little conservative, and be a little "what's this? Why can't we..." Not quite as self-evident as when [Ingmar] Bergman calls and says I'd like to work with you, then everybody knows "Oh, but he's very good, we know that", so then it's easier. It's important that the director and the actor really can meet. That they want to work with each other.

While it is highly unusual for the director to be replaced, it is not as infrequent that a director would fall out with specific actors – not to the extent that the whole production grinds to a halt, but to the extent that they avoid working together in the future, as in this example of a leading actress and a director who fell out during a production:

He's done a great number of plays here since. But he can never work with that actress. And she can't work with him. [...] And it's a very, very unfortunate deadlock, because she's very good, and he's very good, and they could both have benefited from being able to work together, but it's not possible. She's hurt him too much, and he... He's too angry. [...] In the middle of this, there are a lot of personal emotions.

While it is uncommon that actors and directors fall out to this extent, almost all directors had tales of some actors that they rather not work with again, and vice versa, following disagreements and disappointments during rehearsals. The director might feel that the actor in question had actively

sabotaged the production, or gone behind their back to persuade the manager to change directors, and the actors might have experienced harsh or hurtful comments during rehearsals, to the extent that they did not want to work in such an environment again. Thus, the cause for falling out was often described in quite emotionally grounded terms of betrayal, which suggests that one of the main reasons for falling out was betrayal of trust.

By comparison, the relationship between directors and managers seemed much less emotionally laden, and also less volatile. If a trusted and esteemed director produced a performance that was substandard for him and the theatre, this did not necessitate a breach of trust, as in this account from a manager:

A few years ago, I had a director here where a number of actors left the production, but where I saw that there was nothing wrong with the director, it was circumstances that caused it to... Which wasn't related to the director, so then it was important to be sensible and listen, and make your own assessment of what that was really about.

Thus, even though directors often feared failure, because they thought that this would mean that managers would lose faith in them, making it difficult for them to work in that theatre again, it would seem that manager's trust in directors is in reality quite sticky. Giving someone the opportunity to direct a play necessitates a fair deal of trust, since there is much at stake both financially and in reputational terms if things should go awry, and so there is considerable risk involved. So much more so, as the manager is in practice not allowed to get involved in the rehearsals, and thus has little practical

opportunity to monitor and govern the rehearsal process. High levels of trust also enable deceit, given the risk involved and the lack of surveillance – hence the common sense of emotional defeat if trust is betrayed. (Möllering 2008) In spite of this, managers seem to sense less betrayal than actors when rehearsals go wrong, which arguably may be because their trust, being more solidly based, is also more stable. In their sensemaking process, trouble is interpreted as not necessarily caused by incompetence and deceit on the side of the director, but just as well as being caused by circumstances. Since managers are likely to have a clearly formed opinion of the director prior to rehearsals beginning – why else dare the leap of faith in the first place? – it follows that they are also less keen to change their views. The actors, on the other hand, often lack such a firm opinion, their commitment made to the production system as a whole, and the production rather than specifically the director, and their trust for the director often swifter in nature. Since such trust is more fragile, they are also more likely to end up with a feeling of distrust, if rehearsals go wrong.

Furthermore, the effect of actors losing faith may well be that the director is not given more work by the manager at that theatre, but perhaps less because the manager himself has lost faith, and rather because it becomes more difficult to place a director whom few actors are willing to work with. The effect is thus in the end similar, at least from the point of view of the director. The effect, however, is that managers may appear more fickle than they are, as their apparent distrust is an effect of the inherent fragility of swift trust, rather than any private propensity of distrust.

The seemingly contradictory nature of trust, at once fleeting and sticky, is thus a result of differences between swift and genuine trust, rather than any paradoxical nature of trust per se. As a consequence, the level of trust between members of temporary groups is likely to be more volatile than the level of trust between buyer and seller, and more affected by temporary troubles and successes. Regarding trust as part of organizational processes, and a key in instigated organizational action, we are thus able to further our understanding of the mechanisms of temporary organizations.

6 The third act: getting along on a personal level

-Louis, I think this is the beginning of a beautiful friendship
Hal B Wallis: Script for 'Casablanca'

Having moved from the macro level of market, field and network to the meso level of organizations, we have now arrived at the inner circle of our model: the micro level of interindividual exchange. While this structuring of the analysis might give the impression that these are completely separate realms, this is in reality of course not the case. The boundaries between them are hardly clear-cut, and the three levels are more to be understood as constructs made by the researcher in order to illuminate the different aspects of trust creation. Thus, we have encountered interpersonal relations more than once in our analysis of the other levels in the two chapters preceding this one, for example, interpersonal relationships make up the links of the networks on the macro level, and the boundary-spanning ties on the meso level are more often than not interindividual. Therefore, this chapter does not seek to analyse all aspects of interindividual interaction that are relevant on all levels, but rather to focus on two aspects of trust creation that are almost solely found on the micro level, namely improvisation when exchange partners meet, and especially when they initially get to know each other, and sensemaking as it effects the level of trust in interindividual rela-

tionships. Similarly to the aspects and structures we have seen on the earlier levels, these are to some degree interlinked: improvisation captures the here and now of interaction, while creating interpretations and predictions with the help of sensemaking are the long time effects of these improvisations, since they will be stored in memory and become part of the client's assessment of the service provider's skills, capabilities and likely future behaviour. Both improvisation and trust creation, as we will see, are also highly interactive processes, with neither party just sitting there being subject to the other's behaviour – which moreover is in line with the emphasis on the co-productive view on services, suggested by the service dominant logic where we made our starting point.

6.1 You can't improvise on nothin' – mastering the art of improvisation

While we touched briefly upon improvisation in chapter 5, we will continue that discussion here, focusing less on the organizational context of improvising, and more on the interindividual aspect, using the case of consulting as our main example. Since a client meeting can only be prepared up to a point, this means that ultimately, the consultant has to rely largely on improvisation to create a favourable impression, which may then serve as a basis for trust creation.

Just to recall our earlier discussion of improvisation in chapter 3, it would seem that when studied in practice, improvisation seems a paradoxical notion: on the one hand, the essence of improvisation is that free flight of fancy, acting on the inspiration of the moment – on the other hand, when

taking a closer look at these flights, they seem based on and put together by carefully prepared and memorized bits of patterns, of information on structures and genres, of what has been played previously. This latter aspect might also be seen in terms of habitus and skill, habitus in terms of providing that room for improvisation, the information on appropriate structures and genres, and skill in the ease through which you pull the appropriate response out of a hat. Furthermore, a specific habitus will not sit equally well in all environments. Sharing the same habitus as the client will make improvisation decidedly easier to succeed with, as an understanding will seem easier to form, since both parties can rely on their social instinct, so to speak: the unreflected suggestions of their habitus, to make choices. The significance of having a similar habitus for trust development in a relationship can be exemplified in this mutual description of the beginning of a very long client/consultant relationship, first from the client's side, and then from the consultant's:

And so we met Peter. And he is as only he can be, very confidence-inspiring, he really inspires confidence. You can see that he understands our business exactly, and many of the other consultants, they haven't the faintest. They don't come from [our industry], so they don't know. They speak in these very general terms which I'm sure are perfectly suited at Ericsson. But which we don't understand.

I just can't bear working in some organizations. [...] For example, we work with [government body], and some parts of Ericsson, and it's so darn slow, it doesn't suit me at all. [...] And then we change consultants, there are others who are better suited for that. In the same way as we throw in some of our consultants at [HR-manager's company], where you have a rapid-fire mentality some days. I love being there, for me it's the

best there is. [...] It matters a great deal what you've done before, where you feel at home.

Feeling at home with the other party makes their behaviour seem so much more reasonable and understandable, which in turn will make the parties more likely to trust enough to choose each other – as happened in this particular case. The significance of “feeling at home” becomes even more apparent if you consider the case of moving outside the economic field altogether – one consultant describes beginning a project at the Church of Sweden, which turned out most unfortunate. They could not understand each other at all, the client was offended by the consultant’s insistence that they must do an analysis of the market, and decide which segment should be their targeted clientele – “But the church must be there for everyone! The Lord’s house is for all of his people!” they protested, and felt that the consultant did not understand them. The consultant, on the other hand, felt that this was a hopeless case – if you cannot even grasp the simple concept of market segmentation, there is little hope for you. Although seemingly just an amusing little anecdote, this episode can also be interpreted as the result of inhabitants of different fields meeting. The clergyman and the consultant have quite different habitus, and thus logics of action: they have different evaluations of what the purpose of an organization should be, and as a consequence seem incomprehensible or even incompetent to each other. Of course, one might argue that the consultant might have realized this before, read up on the values of the church, and thus escaped offence. However, even if he had done so, he would most likely not have been able to think on his feet, in the meeting, in an appropriate manner. Responding

in concurrence with a logic that is not your own, you will inevitably also be less graceful in your actions. This is not to say that it cannot be done; only that it tends to more arduous, as one consultant explained:

We say that we work with people, and they're not industry-specific, that is, getting people to change what they know, how they behave and what they accomplish, and in that sense, we're not limited to specific industries. But for my own part, if I work in an industrial firm, I think it's easier for me. Because there I feel at home. Not everyone thinks so, but to me it's an advantage if you really know the client's industry.

Thus, habitus forms the base on which to improvise on, but there still remains the improvisation itself, which requires skill and experience. It would appear that selling consulting services requires being able to strike a fine balance: on the one hand, the interviewed consultants stress how important it is to listen, to be well-informed about the prospective client and adapt to what they need. Several of the interviewed clients emphasise the importance of the consultants really listening to their needs, not so much because they perceive themselves as essentially different from everyone else, but because they nevertheless have a unique set of conditions and predicaments.

Of course we are special in our own way, but then all companies have their special uniqueness. And I don't think it matters, irresponsive of that it's very important that you are met by someone who listens and understands what needs we are expressing. [...] what I mean is that they should understand what we're saying, and counter that somehow, saying that I hear what you say, but still, we see it like this. And if you don't do that, then I'm missing a dimension. [...] It should be challenging, but you should do it from the viewpoint of having tried to understand what it is that we do. That you have a clear image of the problem. Not too hasty conclusions, not

too quick analyses, but really listen first, and then, based on that, show that you have given it some thought.

You have to be able to think on your feet, as one consultant described it, listening to what they have to say and adapting to it instantaneously – but the listening, as we saw in the above quote, always precludes the improvisation. Without listening, you cannot memorize the structures and patterns of the client’s organisation, and therefore are also less likely to make a convincing improvisation. On the other hand, clients are less likely to be interested in consultants that uncritically accept whatever the client company proposes, as one HR-manager explains:

It’s quite common with consultants that they just say “Oh, but we’ll adapt to your needs”. Sure as heck you’ll do that, but you need a certain competence to be able to determine exactly what kind of leadership you want, for example, and then maybe we wouldn’t have to buy it. [...] maybe at some level you need them as a discussion partner to get it [the leadership training] down, but if they just say “Oh, we’ll adapt!”, and you don’t get any kind of... Well, then we’ve just hired a teacher, and frankly, we might as well do it by ourselves then.

The notion is re-echoed by a consultant, explaining how you have to be “a bit stubborn, daring to contradict. That’s our role.” Striking the balance between being obnoxious and overtly compliant requires certain tact on the part of the consultant. Presumably, there are certain areas where contradictions are welcome and others where they are perceived as stubborn. With a similar habitus, discerning between the two is likely to become easier. You will be more likely to instinctively make the right choices, and improvise in a manner that is appealing to the client, inducing confidence and thus mak-

ing the “as-if”-thinking necessary for trust seem more enticing. It is however also something which is likely to improve with experience and practice, as some more experienced consultants described how they had strategies of how to interact successfully with the client during initial meetings, which of course would make improvisations easier, since could then depend on ready-made templates, rather than innovation of the moment. Presumably, having such templates at your disposal are also likely to make you more able to listen to the client, and less focused on coming up with what to say yourself, as in these two examples by experienced consultants:

There are two techniques; the first is to be a little like the sun, making people feel comfortable, and then they open up more and more. And the second is being the northern wind, blow their jacket off, and then they become a little... And men in senior positions often feel more comfortable with that second approach. That is, if you show some muscle, that you can be a bit dangerous, then they feel more at ease. “Oh, that’s good”, kind of “Aha, we’re a little bit alike, then!”.

*It’s some kind of method of asking questions. This is always sensitive, it’s as talking to the parents of troubled children. What I do, that’s starting by saying “There’s a lot that good here, where does that come from? Who has initiated all these people, that it has become so good? “Well, that would be me, then.” “Ok, but these not-so-good things then, where does that come from?” “Yes, that’s what I’d like to know, where the heck does that come from?” “Mmb, who recruited all of these people?” *coughs* “Yees, tight...” So this is... It’s a deeply rooted human instinct. And it’s always a balance, how tough you’re allowed to be.*

As one consultant put it, “you develop some kind of experience and skill for what... In which direction you should take the discussion”, and thus with experience, consultants seem to put their foot in their mouth with de-

creasing frequency, partly because they learn the importance of preparation, and getting to know as much as possible about the client and their organisation beforehand:

You have to know and understand something of the department of the person you're talking to, how that part of the organization works, otherwise you'll make a mistake. I've made them myself, once we went to a person responsible for competence development, trying to sell the outsourcing of competence development, but "Hey, that's my job exactly!" Then you realize that it was stupid, maybe. We hadn't really done our homework then.

How do you do that?

You've got to ask a lot of questions, and then adapt the message as you go. A lot of research in order to try and understand, if you somehow can find out about the client, that is. Either through contacts, others who have been in contact with this company before, try and ask around, and get a picture of what they might need. But then also when you're there, ask questions.

It would seem that a mixture of templates, and information gained by listening to the client, their needs and wants, and hopefully the right habitus, will taken together provide a basis for improvisation. Furthermore, it should be noted that improvisation in this context is not a matter of playing a solo, but rather of listening carefully to what response your improvisation elicits in your audience. In conclusion, this discussion has sought to shed more light on the process that leads up to trust between client and consultant by arguing that it can be understood in terms of sharing habitus and improvising in concordance with this similarity. In order for the parties to hazard the leap into the uncertain that embarking on a consulting project inherently will be it is crucial that they are able to close this gap as much as possible, so to speak, through routine and reflexion forming a belief that the decision to trust will be worthwhile. Sharing the same habitus means

that this belief will seem easier to form, as the parties will then experience the other as predictable (calling on routine) and trustworthy (calling on reflexion). Furthermore, a mutual conviction of the importance of the game they are playing, the *illusio*, will ensure that opportunistic behaviour will seem as unthinkable for both parties, as they will both be certain that the project itself is important and not to be jeopardized, which in turn will provide reason. In the theatre, by comparison, sharing *habitus* not only facilitates, but is downright essential, for since it to a larger degree is an autonomous field, it is impossible to hold a position there without the right *habitus*, and without having made the right investments that enables a certain position.

Whilst consulting certainly calls for improvisation, these improvisations should follow the expected conventions. If the consultant's answers seem irrelevant or completely ignorant, it is not likely to be overlooked, but be perceived as untrustworthy. Thus, sharing the same *habitus* as the client will not automatically guarantee you the trust of the client, but it will most likely help. If your gut reaction is right, then you are at least improvising in the right genre. Of course, plenty of things may still go wrong, for you still need to learn the skills of improvising, but at least you know when it sounds right or wrong, and what it should sound like, to continue the jazz simile. As was shown in a recent study by Werr and Perner (2007), this need for professional expertise is as salient on the client side as for the consultant. In short, having incorporated the right *habitus* will mean a head start compared to that consultant that enters from a different field altogether – a

head start which may even prove impossible to overcome. Furthermore, as relational contracts, such as the embedded client-consultant relationships studied here are more resilient to volatility than to ambiguity, it seems reasonable to assume that an underlying understanding, decreasing ambiguity is necessary in order to be able to form a durable relationship.

6.2 How do I trust thee? Let me count the ways.

Although the macro and meso levels certainly carry great importance for how buyers and sellers identify and choose one another, as we have seen in previous chapters, the trust that ultimately seals the deal, so to speak, will take place on the interpersonal level. It may therefore be helpful to at this point in the analysis return to our key question of interpersonal trust, and moreover on what basis it is formed on the studied markets. In other words, what means are available so as to allow the actors on the markets to close the gap of the unknown, so as to make the leap of faith as short and thereby inviting as possible? In both markets, repeated interaction is more common than not, and it might therefore be useful to also discuss how trust develops over time, and if and how the basis for trust changes as the relationship grows older. Of course, it is not necessarily so that trust inevitably grows stronger the more the counterparts interact – it may be what the actors strive for, but of course, it may well be that the relationship with time takes a turn for the worse, eradicating rather than building trust.

As we have seen in chapter 3, trust development may be seen from two different viewpoints, focusing either on how trust develops or what trust will be based on in different stages of the relationship. Beginning with the first

viewpoint, trust is developed incrementally, through smaller acts of trust, which are honoured, and then lead to larger endowments, thus constituting a reciprocal process between trustor and trustee. Enabling this process, it would seem, is one of the purposes of the lengthy process prior to a signed contract that might be regarded in management consulting, as the two parties initially share smaller issues with each other, the consultant presenting ideas, and the client telling about the problems at hand within the organization. Of course, the process of trust creation does not end with the first contract, for after the first, smaller project may follow a second, larger, if the first one turns out to mutual satisfaction, as in this account by an HR-manager of the process when they started working with a new consulting company:

They were quite new in that business area at that point, so we had a number of meetings. I was very sceptical at first. And it took them a while to sell me this ready-made model they had, but then I thought that it's quite close to our culture and our values, and how we regard working here and leadership, so I thought it might be interesting to try. So we said, let's try this with a few manager who are in the house, and then we'll evaluate, see how it turns out, if it fits, and it was a great success. And after that, we've continued to run this program.

Thus every interaction holds the potential of influencing the level of trust (and distrust), a process which at the beginning is quite fragile, as every event then constitutes a larger part of the information which the client has at their disposal to base their interpretation of the situation on. However, due to the sensemaking process involved in the evaluation of these incidents, and considering that we prefer to make interpretations that are in line with what we knew already, it is unlikely that the trust level will oscillate

wildly, but moreover follow the same tangent. So if a basic opinion of trust has been formed, then breaches of trust are likely to be interpreted as mishaps, while confirmations of trust are seen as just that, resulting in ‘sticky’ trust or distrust, as we saw in chapter 5. For example, an HR-manager described how a breach of the contract of a previous project had almost led to the severance of ties with a long-term supplier, explaining what it was that made him continue after all:

So it’s more the attitude than...?

Of course it’s a combination, they’re not supposed to do mistakes like that. It’s important that they don’t. But if they make an error, and you talk to them about it, then it’s important that they can adapt to that, and admit that they made a mistake, we’ll continue working together, but from now on, we’ll do it like you want it. If you can’t do that, if you see them making the same mistakes again, then of course I lose interest quite rapidly. I have quite a lot of trust, but it’s spent if... That’s why believe in networks and long-term relationships, because you know it works, you’ll get what you paid for. There is no distrust.

You don’t have to supervise them?

No, exactly, I know that everything will be just right.

Similar stories were told by other clients, that breaches of trust had endangered but not dissolved relations. However, it seemed that quite often, the deceit was not forgotten, and either made the client more restrictive in the areas where they trusted that particular consultant (say for example that they trusted them to provide the service they had agreed to, but not to keep quiet in the organization of what they got to hear), and furthermore made the relationship more vulnerable to future mishaps, as the cognitive frames had been permanently changed. Due to the retrospective nature of sense-

making, any new information or events concerning the other is interpreted in the light of what we knew already, and thus a deceitful act by someone we trust is likely to be interpreted as a mistake, not as malice. However, this event, however it is interpreted, will stay in the memory of that person, and if something similar happens again, this will now be interpreted in the light of the previous incident, and as a result possibly leading to a change in the assessment of that person's trustworthiness.

This development of trust, or rather, interpretation of the other as trustworthy, which in turns closes the gap of uncertainty and makes a leap of faith more likely, might be done in small, incremental steps, as in the example above, but also by going out on a limb, displaying confidence in the other by sharing proprietary or sensitive information. Since trust has an emotional component, and furthermore invites deception, sharing information that makes you vulnerable to that person may create a bond, demonstrate that you trust the other, and thereby elicit their trust. In this manner, the consultant may not just wait passively for trust to emerge, but moreover actively seek to build the perception of trustworthiness in the eyes of the client. (cf Möllering 2008; Williams 2007) An example of this might be seen in a consultant who was asked to provide coaching to the HR-director of a large company. At their first meeting, one of the problems the HR-director identified was that he found that in meetings, others did not seem to dare to contradict him, although he considered himself open and informal in his way of chairing these meetings:

Yes, but the others, they might see you in a different light. Don't you see that, that people might react? And then I gave him feedback as to how he is as a person. [...] I said that... I mean, I react to the way you act, you have a way of expressing yourself that might be seen as very inviting and fun, but on the other hand, you might scare people a little too. And then I shared with him how I had felt about our meeting beforehand, I mean, I'm supposed to meet this bignig, and then you're sitting here, and you seem quite the contrary. And of course, that might create uncertainty, have you thought about that? You don't correspond to the image people might have, and also, it might feel like you are, eh, manipulative. So, I gave him quite direct...

What was it that made you dare being so direct, he could have just become angry and left?

Yes, of course, but that had to do with his demeanour.

You made the assessment that he would stand for it?

Yes, he can handle that. And my impression was... I mean, his whole demeanour somehow said that "I don't like conventional stuff, it doesn't really interest me."

This encounter eventually evolved to long-term, high trust relationship, and we may see how the consultant disclosed that he himself had been nervous before the meeting (showing vulnerability and disclosing potentially sensitive information), being very direct (demonstrating honesty), and furthermore gauging that one of the client's biggest apprehensions would be that the consultant was conventional and dull, and counteracting this by being unconventionally direct, especially for a first meeting. Again, this is likely easier to accomplish if the consultant at least to some extent is familiar with the client organisation, or at least the industry it belongs to.

If you get a request for a meeting from a new client, do you think about which of your consultants would suit them best?

Yes, you do. Absolutely. Both who'll suit them best, and who has the most appropriate experience. Our backgrounds are a little bit different, and some... if you generalize broadly, the jargon is different in different industries. You know, retail is one thing, and the ministry of defence something else. And I've been with some... Small things, like what to wear. Sometimes you don't know, and you get it totally wrong.

Thus, interpersonal trust is likely to develop gradually, with a tendency to continue in the same direction, be it distrust or trust, and while breaches of trust do not seem irreparable, it would seem that they did indeed often lead to a permanent decrease in some aspects of trust in the relationship.

In the theatre, aspiring directors are likely to get trusted initially on identification-based reasons, which would with the framework presented in chapter 3 sort under reflexivity, that is, trust based on personal knowledge of that person. Such projects, where the actors trust the director in principle solely for personal reasons, might for example be directing a group of friends in a jointly formed theatre company. It may even be that being part of such a small group is a prerequisite for later becoming successful – hence that many later remember belonging to a smaller theatre company in their youth, where several have now gone on to successful careers in the theatre. The smaller group provides the training area, and works a platform for those that are included in the group. They become successful because they had access to this platform, not because they for some mystic reason were able to discern later success already at an early stage. To belong to a group betters your chances, hence the prevalence of such groups in their youth for those who become successful (especially for those who lack formal training, which would also provide a platform to train on). Amongst

the directors interviewed for this study, virtually all directors who lacked formal education (and most of those who had formal education as well) had begun their artistic career in a small group set up by friends, Fringe theatre is not a very lucrative business, and so it is more common than not that during the first five or ten years, the budding artist must also have a day job in another occupation, as one of the interviewees, a playwright and theatre manager, tells us:

It took about, well, I suppose it must have been in 2002 that I got a salary for the first time.

How long had you been working in the theatre at that point?

I had written plays for at least three or four years, and worked five-six years, maybe. I don't know if it's exactly right, but about that. So I'd worked for quite a few years then.

Through these minor projects and odd jobs in core projects, a network in the field and a reputation are slowly built, which eventually may allow the director to move on to projects that are offered on different bases for trust – to some extent reason, or calculus-based trust because at some stage you have a reputation at stake. More importantly, however, is the advent of system trust, for since the director will eventually be able to attain a position in the field, and managers that trust the field and its evaluation therefore also may trust a director given such a position. Since the bases for interpersonal trust are thus supplemented by system trust, when a manager considers daring the leap of faith of commissioning an established director to direct a play at his theatre, they will be less dependent on interpersonal bases alone. Or rather, they will be less dependent on reflexivity, as system trust in the form of trusting someone who holds a certain position in the field will al-

most be unavoidable, if the director at all is to have reached a position where they would be considered for work in professional theatre. Thus, managers and directors in the theatre may have long processes that preclude a contract, but these interactions seem less focused on building trust, and a relationship, but rather on finding an idea for a production that is appealing to both and fits into the repertoire. The purpose of the interaction thus seems somewhat different, possibly because the aspects that takes up the bulk of the interaction in the consulting case, finding out if the other has sufficient skills and is the right man for the job, can already to a large degree be deduced from the director's position in the field for the theatre manager. What remains to be seen is whether the director may come up with an interesting enough idea, and make a convincing case that they would be able to stage it in an interesting and novel way.

In consulting, system trust is not so readily available, since there is no field to provide a stable and acknowledged system of evaluation, and so clients and consultants become more heavily dependent on the two remaining bases of reflexivity and reason. Hence the use of more complete contracts, which stipulate quite extensively (especially in comparison to the very meagre contracts of the theatre) what the consultant is expected to do, and what the client is expected to do – this elaboration is of course also partly because the lack of industry norms also extend to what projects should look like, and so there is little that is self-evident in the design of a project.

However, not all is necessarily stipulated in the written contract, often enough, the psychological contract will carry just as much weight. The intricacies of the psychological contract are partly set during lengthy discussions prior to the decision to work together, but also partly inherent in the culture and values of the field. Thus, in the theatrical field, both parties know that it is highly unlikely for the director to be replaced, lest he or she proves themselves totally unable to complete the production. This delegation of power might be seen as a security for the director, but then as a risk for the manager – hence lengthy discussions before the production starts as to what the artistic idea behind the production is, how the director sees the relationship to the audience, what type of production it is that they are mounting, and so on. Thereby, the manager may ascertain that what is put on stage corresponds with his idea of what his theatre should offer. Once onboard, however, the director is given – and expects – free reins. However, this does not mean that the manager can abandon the production completely (unless is it a very minor production). During production, the manager functions as a coach and supervisor for the production, whom the actors can turn to for reassurance if they feel uncertain about where the production is heading, or who the director can discuss any upcoming problems with. Although commonly not explicitly discussed, however, the manager is expected to show tact and respect, not infringing or questioning the artistic merit and competence of the director's work. Those questions are expected to be solved prior to the production decision, and in giving the director a play to direct, the manager is expected to also hand over the artistic responsibility. Practical matters, such as production planning, marketing

of the performance, and so on, are still the responsibility of the manager and his theatre.

This process of enquiry and negotiation allows the buyer and seller to form a psychological contract, based partly on what they have learnt about each other during these early talks, and partly on industry convention. The written contract between the two exchange partners is often rather meagre, especially in the theatre. However, this does not mean that there really is little expectations between the two parties, but rather that the psychological contract is rather extensive. Some aspects of this contract will be discussed beforehand, whereas others are just taken for granted. In some respects, it will serve to close the gap and shorten the leap of faith, so to speak, as the parties are able to fall back on convention. That the contracts of the theatre are more meagre than those in consulting makes sense if we hark back to our earlier study of the market level, where it was shown that the field present in theatre ensures industry norms are extensive and widely shared, to the point where having incorporated the doxa of the field has become a prerequisite if you want to be able to engage in theatre production. Thus, theatre managers are able to fall back on industry convention to a larger extent than their counterparts on the consulting market, hence being able to make do with a shorter contract. The contract between buyer and seller thus consists of three aspects: taken for granted industry norms, the psychological contract developed between buyer and seller through discussion and interaction, and the written contract – and of these three, the written contract

while being very important as a symbol for the agreement, actually contributes the least when it comes to the content of the contract.

In this chapter, we have seen how trust evolves as a consequence of the to some degree improvised interaction between buyer and seller, which creates cognitive frames, which are employed in the sensemaking process of creating expectations and interpretations for the future and present. Comparing the cases of consulting and theatre direction, it becomes apparent that the macro-level factors in terms of presence of a field and availability of field trust, and meso-level factors in terms of organisational culture and way of thinking, will have an impact on how trust is created between the exchange partners.

7 The end of the road: Effects of visibility

Streets that follow like a tedious argument
Of insidious intent
To lead us to an overwhelming question...
Oh, do not ask "What is it?"
Let us go and make a visit
T.S.Eliot: The Love Song of Alfred J Prufrock

In the introduction, it was argued that a thesis may be described in terms of proposing an argument, and having now gone through the long and winding road of this study, passing by the findings of previous research, which points to the common characteristics of the services of theatre direction and management consulting in terms of for example uncertainty of outcomes, knowledge intensity and uniqueness of each project. We then turned a corner, arriving at the notion of trust, distinguishing between different types of trust, and determining the type studied here: interpersonal trust, seen as a leap of faith, and relying on a sensemaking process performed by the trustor but ameliorated and influenced by the actions of the trustee, which results in a cognitively constructed interpretation and prediction, which in turn may or may not result in the trustor being willing to make an affectively based leap of faith.

Going through context, we saw how the characteristics of the studied services affected the conditions for market interaction, making them rely largely on relationships, information networks and positioning. Next came the meso and micro levels of organizations and interpersonal interaction, where we saw how organizations from the perspective of trust creation on service markets may be seen not in terms of unequivocal entities, but rather as polyphonic processes circumscribed by organizational boundaries, and how the sensemaking processes of interpretation and prediction are made at the interpersonal level.

Next, we returned to more empirical terrain, seeing how the presence of a field and the resulting stability of the market influenced what took place on the macro level, in both cases leading to the importance of networks, but in the theatre, for positions to aid networks, while in consulting, positions were only upheld through the social relations in which they were embedded. On the meso level, the polyphonic nature of organizations created a demand for creating trust with several insiders in the organization in addition to the original trustor, while organizational boundaries are used to simultaneously create proximity and distance, allowing for close cooperation, while avoiding fusion. Lastly, we arrived at the epicenter of trust creation that is the interpersonal level, where we saw how the initial process, leading up to the leap of faith, is one of listening and improvisation, relying on prior knowledge of this process, and of the implicit rules and

norms of the industry, and also how trust develops over the course of a relationship.

Having thus followed the argument through streets of previous research and empirical findings, guided by the overwhelming question of how trust is created between buyers and sellers on professional service markets, we now arrive at the point where the reader would ask the infamous “so what?” question, which all research at some point must tackle. So, what may be concluded from this study?

In order to answer this question, I suggest that we make another visit to the introduction, and more specifically, the three research aims presented there: firstly, what may be surmised about professional service markets, secondly, what can be contributed to organizational studies of trust by supplementing a psychologically oriented view of trust with a more sociological understanding, and thirdly, how the context of trust may be conceptualized.

Beginning with trust, as we saw earlier in chapters 1 and 3, there has in recent research been ample support for the idea that trust cannot be understood unless its context is also taken into account. From this study, it might be concluded that trust, being a concept which links the micro level of individual sensemaking and interpersonal interaction, but when doing so, draws on events and knowledge outside this sphere, also requires a similarly cross-level conceptualization of context in order to be understood. Trust becomes understandable, if we take the context of the interaction, and the

sensemaking process, or habitus, of the individual into account. Being a concept which thus links different levels of analysis, it would seem reasonable that a similarly cross disciplinary framework of analysis would be useful, drawing on psychology, as well as organization theory and sociology, each discipline contributing the precision needed for understanding that level of analysis. Furthermore, the different levels of analysis need to be linked, because factors on one level affect conditions on the next. While context may be structured or divided in a number of ways, in this study, it is suggested that distinguishing between the macro level of the social realm in which trust creation takes place, and the micro level where sensemaking and the leap of faith take place, is a fundamental but nevertheless helpful distinction, which mirrors the classic sociological discussion of agency vs. structure – although it is in this case rather the case of micro and macro levels being intertwined, with actions on one level influencing and setting boundaries for what is possible on the other. By being more precise with exactly what structures we are dealing with on the macro level, as suggested in this study, we are also able to be more precise as to how the macro level functions, and specifically how this influences and governs what is possible on the individual level. If we want to understand this, which, I would argue, is the inevitable next question once it has been settled *that* context matters – namely, *how* does context matter? – then we also need a precise description of what this context is. In the example studied here, trust creation on service markets, I would suggest that the relevant social structures are organizations, fields, networks and markets. We need to form as precise an understanding as we are able of these structures, and how they function, if we are

to fully understand what takes place on the interindividual level, and may or may not result in a leap of faith. In other words, when it comes to trust, “context” may be understood as “relevant social structures”, each with their own logic, which in turn creates the complexity which makes trust hard to predict, or even to understand, even for those close to the process, as we saw in the introduction. The impact of context, and the complexity of this context, may make trust appear as a black box – take it apart, however, and it turns out less a one-armed bandit than a system of related cogs and wheels, each with their own logic, which makes outcomes understandable, if not predictable. This approach also suggests a complement for the study of bases for trust, focusing less on separate bases, than different arenas which influence the decision to trust. While these arenas may generate what is needed to create a basis for trust (for example, the knowledge of the value of reputation on a market may provide a believable reason to why it would be irrational to betray a client, and hence contribute to basis for trust), they are also, as we have seen in this study, useful as analytical constructs in themselves. This alternative approach to studying trust creation allows us to ask a somewhat different question, not “what are the most important foundations of trust?”, but “in which social arenas are the foundations for trust created?”, and new questions also give new answers.

The second aim of this study in terms of trust research was to show how a more process-oriented view on trust, building on sociology, may complement the presently predominant understanding which builds more on psychologically oriented quantitative research, especially in qualitative organiza-

tion studies. As we have seen, regarding trust consisting of the three elements of interpretation, the leap of faith and expectation, where interpretation and expectation are largely cognitively based sensemaking processes, and the leap of faith more affective or emotional, allows for a study based more on understanding than on prediction. This allows for trust to be studied in complex social situations, such as the one studied here, using qualitative data to encompass rather than reduce complexity. By thus focusing on trust-as-choice rather than trust-as-attitude, or, in other words, trust as a social process rather than a psychological state, it becomes possible to link trust research to current process research in organization studies, and regard trust not as a separate entity, but as a process intertwined with others in organizational life. We are then able to progress from the often seen statement *that* “trust is vital to overcome uncertainty” to *how* this vital quality is attained, and do so in a manner which is conceptually coherent with current organizational research, not least of professional services, given a view on services as co-produced and co-consumed by service providers and clients. In this question, this study provides less of final answers, and thus the contribution lies more in providing support for a road less travelled, although previously suggested, which may allow for studies of trust in situations where it is important, yet not measurable, and intertwined rather than separate from other aspects of market interaction and organizational processes. It is thus a venue which would merit further research, which would allow for more precise answers as to how trust evolves, both in order to attain the leap of faith necessary for a particular choice of action, but also in

the long term during the course of a continuous co-operation, such as is often the case with professional services.

The third proposed aim of this study was in the field of professional services, and differs from the former two in that it is an empirical contribution, rather than a conceptual. As we have seen in the analysis, although there are many similarities between how trust between buyer and seller is created on the market for theatre direction in comparison to that of management consulting, such as the importance of reputation and entering and upholding networks, there are also fundamental ways in which trust creation differs in the two markets: theatre directors are able to attain a position relative to other directors in their market, from whence they may work also with those unbeknownst to them, they are able to access information networks which do not seem to appear in consulting, and furthermore also able to work with managers with or without getting along on a personal level. Apart from differences of convention and conditions in the different industries (most notably, that theatre directors operate in an industry where most operative personnel are freelancers, whereas consultants more often find themselves in industries where almost everyone apart from them has a permanent position), the obvious answer to why we can see this difference would be that it is to be expected when one compares creative industries, with their specific conditions stemming from artistic ideals and unpredictability of creative success, with a business context based on knowledge-intensive, as is to be found in a professional service such as management consulting.

However, based on this study, I would suggest that distinguishes what is commonly regarded as “professional services” from industries seen as “creative industries”, in this case management consultants from theatre directors, is not professions vs. creativity, but the visibility of the product created. Creative industries are always visible, *that* is what makes their markets different. Professional services are rarely visible, hence other mechanisms become more important. Therefore, from a market interaction perspective, it makes more sense to distinguish between visible and invisible services, than between business and art. Possibly, because commonly content of service rather than service characteristics has been chosen to distinguish between realms of research, division between arts and business has been created, which may not be all that relevant in this particular context: when understanding how market uncertainty is overcome, and how market interaction comes about.

If we take a step back, and return to the purpose of the study, namely what may be learnt about the functioning of service markets and the effect of context on the conditions for trust creation in the light of the two industries studied here, the key aspect this study has highlighted, I would argue, is the far-reaching effects of visibility. If the service that the market produces is observable to those outside the buyer-seller relationship, this will have extensive consequences for how the market as a whole will function. While consulting and theatre do indeed have many aspects in common, as we saw in chapter 2, visibility is not one of them. The clients of the consulting

companies may possibly be willing to allow the consulting company to let others know that they are a client, but that is as far as it goes. With few exceptions of exceptionally successful or unsuccessful projects that are picked up on by the press, little will be known of the projects beyond the client organization and the consultants that were involved in the process. In the theatre, on the other hand, visibility is the very core of the industry, as one manager succinctly put it: “as someone said: there’s only one reason why you should stage theatre, and that’s that there is someone watching it ” or, in the words of another: “Theatre doesn’t exist in itself, not until there is an audience” This difference in the role and importance of visibility has effects in several ways.

Firstly, because visibility will enable public reputation, and it will enable all actors in the market to keep track of what else is happening there. Thus, as a buyer, you will be able to form an idea of sellers you have never personally worked with, by observing the end result of their work. As we have seen, in theatre, public reputation seems to play a much more important part than in consulting. I would suggest that these public reputations are possible to uphold as a result of the informal networks, which serve to provide detailed information about large parts of the field to each agent within it, even more so with its more influential members, and furthermore the public nature of the projects at hand, which explains the importance attached to critics – not as offices of acknowledgement and consecration, but rather as sources of information on productions, which enable the agents in the field to keep track of a far larger number of theatrical productions than would otherwise be possible.

The consultant's work is comparatively secluded, and information about the project and its participants is rarely spread beyond those involved. As a result, public reputations cannot be upheld, nor a coherent field with a common debate of what is to be regarded as good consulting. However, the direction of this relationship is not obvious – can the field not be upheld because the information networks are lacking, or are they lacking because there is no autonomous field? Drawing on the findings of this study, I would argue that in order for an autonomous field to take form, the goods produced by the field have to have a degree of publicity, since it then becomes possible to form a common taste. The common taste, or the debate about taste, then forms the basis for the establishment of symbolic capital, and thence autonomy. Therefore, markets which produce public goods, such as the theatre, will be more likely to form fields than those who produce unobservable goods, like consulting. Obviously, the relationship is more complex than simple cause and effect, and thus rather one of influence than of causality. Once a field is in place, this will render less importance to personal networks, as it allows for status and acknowledgement to function as a dummy for personal relationships. Thus, in theatre relationships will be formed on the basis of status, as directors are approached on account of the position they hold in the field, whereas in consulting, consultants are normally approached solely on the basis of personal relationships. This in turn leads to the difference in the nature of the networks in the two fields, which we have discussed earlier.

The presence of an autonomous field in a market thus seems to fundamentally change the way the market functions, other factors equal. And the degree of visibility of the goods produced in the market has a direct influence on its possibility of becoming an autonomous field. When we in chapter 3 initially discussed the market level, it was suggested that market selection may rely primarily on of two basic mechanisms: market structure or social networks. The result from this study implies that if the service produced is visible, then market structure will be the most important factor. If however the service is not open for scrutiny, then social networks will be more important. In order to form an understanding of how exchange comes about on a market, it thus matters not only if the market is informal, but also whether it (or rather its subject of exchange) is invisible.

Returning to our first research aim in the light of this finding, that of the influence of context on the conditions for trust creation, we may conclude thus: field is a factor in explaining how trust is attained (on markets), for it makes different bases available. That is, trust has different bases depending on whether there is a field present on the market or not, for the presence of a field allows for system trust to supplement the bases for interpersonal trust. More specifically, this system trust stems from belief in the field rules (doxa). If there is no field present, then there will be more need for bases for interpersonal trust, i.e. e reason/deterrence based trust (hence detailed contracting) and reflexivity (hence increased need for personal knowledge). Although a conclusive answer may not be drawn from this study, a tentative suggestion may be made that visibility is in fact one condition for the

creation of a field, since one of the key aspects of the field is the common debate and evaluation of a common topic, be it “good theatre” or “good research” – and in order for such a debate or struggle to take place, what is discussed must be visible, to most if not to all. “What is good management consulting?” does not lend itself to a common discussion as easily as “What is a good novel?” or “What is good architecture?”, and thus, one of the vital forces to uphold the field missing, it is unlikely to become autonomous, as its presumptive inhabitants are not oriented towards a common debate, but in different directions depending on their immediate social network. However, this is a tentative conclusion, which may require further research in order to be ascertained.

In the context of trust creation on markets, if the service is visible, then there are possibilities of the creation of a field, which in turn will make creating trust largely dependent on the structures of widely known reputation, field-specific resources and commonly acknowledged identities and status positions. If the service is not visible, however, then personal relations become much more important, not primarily enabled by or evidence of status, but as the main channel of information about actors, and as a basis for trust between them. Because there in a market of invisible products will be no way of observing an actor without working with them, trust between strangers with no immediate social connection will become rare, and thus relations will take on different functions than on a market where the output is visible. A further implication that may be ventured is that because per-

sonal bonds will often be stronger in consulting, with a higher level of interpersonal trust, they will also have a larger emotional component.

So, how *is* trust created on professional service markets? While this thesis probably goes to show that the question is a complex one, not easily answered, it would seem that it boils down to that if the results of the service is visible, especially if this results in there being a field present on the market, then trust is largely created on the arenas provided by macro level structures such as identity, fields and reputation. But if the result is not visible, and there is no field, then micro level actions and interpersonal contacts to a larger degree forms the basis for trust creation.

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