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## **Contrived Competition and Manufactured Uncertainty:**

### **Understanding Managerial Job Insecurity Narratives in Large Corporations**

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#### **Abstract**

The article addresses the debate over insecurity and precarity in managerial work. It notes while some commentators suggest advanced economies are characterized by managerial job insecurity, others argue the same economies possess stable managerial tenure rates. To make sense of this conundrum, qualitative data from semi-structured interviews with managers working in large corporations in liberal-market (US, UK) and coordinated-market (Japan) societies are analysed. The aim is to assess whether sensitivity to managerial job insecurity is widespread and if so reflects wider corporate strategies of ‘contrived competition’ and ‘manufactured uncertainty’. It is argued such notions can influence managers’ understanding of their work situation through (re)producing narratives of employment precarity. Contrary to the message from many database and questionnaire studies, evidence from this international and longitudinal study suggests awareness of job insecurity is indeed widespread and does affect managers’ views of their employment situation and prospects.

#### **Keywords**

Contrived competition; employment narratives; managerial insecurity; manufactured uncertainty; precarious work.

## **Introduction**

The issue of precariousness in employment has generally been associated with low-skilled work and, in the UK, with labour market features such as the growth of ‘zero hours’ contracts and the ‘gig’ or ‘access’ economy (Fleming, 2017; Pennycook et al., 2013). However, a significant share of such contracts is actually associated with people in seemingly privileged labour market positions. Nearly half are employed in the top three occupational groups: managers, professionals, and technical staff (Brinkley, 2013).

Furthermore, there has arguably been a sharp rise in managerial job insecurity internationally, and especially over the past two decades, despite evidence of enduring attachment to continued long-term jobs (Fevre, 2007). Many researchers have tried to account for this seeming conundrum. Significant among them, Doogan (2009) notes related ties between long-term employment and job security can no longer be assumed. Amid the reasons for a break in these ties is an increasingly hegemonic corporate discourse of neo-liberalism, which privileges financialization and shareholder value over employee concerns for stability (Davies, 2016). In terms of corporate politics, Doogan (2009) argues this puzzling relationship can be seen as a consequence of ‘contrived competition’ and ‘manufactured uncertainty’, with such phenomena serving to promote “phobias which bear no relation to any statistical incidence of the dangers that promote the anxiety”. As Doogan (2009: 195) notes, “job insecurity...is real regardless of the statistical incidence of job loss”.

This issue is addressed presently through analysing data from an interview-based study of managerial work – one that investigates corporations in both ‘liberal-market’ and

‘coordinated-market’ (Hall and Soskice, 2001) societies. Contrary to the findings of many database and questionnaire studies, the question motivating the current analysis is *why awareness of managerial job insecurity – on the ground – appears widespread in the corporations of such societies?* The article develops this analysis in a number of ways. First, it is *empirically* comparative in that faced with a wealth of quantitative studies it evaluates qualitative data relevant to this question. Second, it is *internationally* comparative, with much analysis based on geographical location within economy type. And thirdly, it is *temporally* comparative, with analysis reflecting managerial employment both before and after the 2008 global financial crisis (GFC).

Importantly, it is argued the evolving *corporate* environment has generated awareness of managerial uncertainty in large-scale organizations. We contrast organizations in the post-WW2 period protecting managerial staffs from the rigours of the labour market – a period where loyalty was exchanged for commitment – and the contemporary situation whereby large companies are intentionally making managerial work less secure. It is concluded that contrived competition and manufactured uncertainty have been created strategically by corporations, thereby promoting awareness of employment precarity among managerial workforces.

### **The Insecurity Conundrum**

Several authors have identified the paradox of, on the one hand, evidence from a number of countries suggesting increased job uncertainty and, on the other, large-scale datasets pointing to continued rates of long-term managerial tenure (Gallie et al., 2017). Using data from developed economies, Doogan (2009) and Fevre (2007) have analysed this ‘irrational’ (Doogan, 2009: x) argument, suggesting it emerged in the last quarter of the twentieth century, amid deregulation, financialization and corporate reconfiguration. Within this debate two organizationally-focussed explanations have emerged. The first is simply that sensitivity to

job insecurity is caused by a wider process of recurrent/continuous change in organizations (Alvesson and Spicer, 2016). The second, is large organizations are engendering uncertainty by promoting a heightened competitive environment in order to ‘play-off’ plants, divisions or offices so as to ramp-up labour productivity through contrived competition and manufactured uncertainty (Doogan, 2009)

Labour market flexibility and hence precarious employment has moved centre stage for many media analysts, academic researchers and policy-makers (Bauman, 2001; Beck, 2000; Bevins, 2011; Castells, 1996; Holzer et al., 2011; Sennett, 2006). However, Doogan presents a critique which challenges much of the basis of what has been presented by many authors as ‘societal transformation’. Instead he presents labour market data from North America (1983-2002) and Europe (1992-2002) to illustrate that long-term employment increased and hence job stability has increased (see also Farber, 2008; Green, 2006; Mishel, 2009). Furthermore, this occurred as the size of the overall workforce was increasing. Kambayashi and Kato (2016) extended this analysis to Japan: while they note there has been a large increase in ‘non-standard’ employment, this is unaccompanied by a decline in long-term employment, as measured by 10 year plus tenure. This supports earlier assessments by Chuma (2002) and Kato (2001).

Despite this, many reports have suggested enhanced levels of job insecurity. This can be explained partly by the fact that, as labour market analysts note, job stability is not necessarily related directly to job security, with the former being measurable but the latter largely perceptual. The impression is of employees having disproportionate concerns about losing their jobs, including professionals and managers whose jobs had previously been regarded as ‘secure’ (Kalleberg, 2009; Burchell et al., 1999). Writers such as Doogan (2009) and Turnbull and Wass (1999) propose a number of reasons for the (in)stability/(in)security conundrum. First, the early 1990s recession impacted upon non-manual and service employees

significantly for the first time. Additionally, there was much corporate restructuring in this period; which, together with public sector retrenchment and ‘marketisation’, exposed a new group of employees to insecurity/precarity. For Japan, Kambayashi and Kato (2016) highlight the impact of privatisation and the deregulation of certain industries in this regard. Further, as Burchell et al. (1999) indicate, the growth of M&A activity was becoming a major cause of employee insecurity. Also Felstead et al. (2007) argue security has become one of the most high-profile employment features, while Fevre (2007) notes considerable media coverage of job losses, particularly in the US but also in Europe, which can also serve to heighten employment anxiety.

Research conducted both pre and post the 2008 GFC pointed to similar trajectories. Worrall et al. (2016) have surveyed UK managerial work since 1997, with the latest inquiries (2007 and 2012) being pre and post the GFC. Their earlier surveys highlighted greater intensification and extensification of work; changes in forms of workplace control; and lower levels of trust and wellbeing: their 2012 survey emphasized, similarly, continued downsizing; evidence of (albeit reduced) delayering; a sharper focus on cost reduction; and longer working hours since 2007.

This is reported, however, amid data on job stability that continue to point to established economic trajectories. Bachman et al. (2015), using data for Western Europe up to 2012, note tenure rates remain robust and managers have the longest tenure, with similar trends being noted for the US to 2016 (Bureau of Labor Statistics, 2016). Despite reports of corporate employment contraction and widespread redundancies, research suggests managerial numbers appear to have increased in many advanced economies. Notable in this respect are studies by Auer and Cazes (2003), Kersley et al. (2006) and White et al. (2004).

Meanwhile, Doogan (2009) argues awareness of increased insecurity reflects a wider shift – one that places such growth in a context of globalization and changes to the welfare

state, and which results in evidence of considerable work intensification. This he suggests is a consequence of greater exposure to market forces and reflects corporate strategies advancing an artificial sense of internal and external contest as well as financial and employment instability (see also Heery and Salmon, 2008; Svenningsson and Alvesson, 2016). The suggestion is US companies have consistently exaggerated the threat of corporate relocation in order to win productivity gains from their workforces.

Faced with such contrasting messages emerging from the literature the present interview-based analysis is directed at investigating the effects of corporate strategies on managerial understanding on the ground. Specifically it is directed at ascertaining the extent of ‘contrived competition’ and ‘manufactured uncertainty’ in large corporations and how this plays out in terms of employees’ views of their employment prospects. Ultimately the argument is made that the onset of such phenomena reflects the growth of ‘corporate globalization’, which (i) serves to exploit a growing sense of employment insecurity/precarity (Kalleberg, 2009), (ii) is representative of the relatively unrestrained corporate conduct of neo-liberalism (Uchitelle, 2006), and (iii) is underpinned, hegemonically, by an epoch of shareholder capitalism and financialization (Davis, 2016).

### **Methods and Methodology**

Data are drawn from three empirical studies based on qualitative methodology and the use of semi-structured interviewing. The first was a large-scale study (2002-2006) that investigated new organizational forms and their implications for managerial work in Japan, UK and USA. The second investigated changes in HRM policies and practices in Japanese organizations, amidst an increasingly globalised economy, and took place between 2012-2015. And the third was a follow-up to the first, studying similar themes and conducted between 2015-2016. Here

the number of countries investigated was expanded while the inquiry placed greater focus on managerial job uncertainty; which had emerged as a major theme in the first study.

In terms of data collection, in the first phase – funded by the (UK) Economic and Social Research Council (ESRC) – a number of sectors were researched: including automotives, drinks, electronics, engineering, finance, public, steel, and utilities. In total the study included 259 interviews (usually lasting between 60 and 90 minutes) with senior, HR and middle managers across 26 companies in the three countries. These firms represented mini case studies across a range of organizational types: manufacturing and service operations; new and old technology products; and private and public sectors. The research design saw firms broadly matched in terms of sample country, product type and industrial sector. The aim of the study was to evaluate the effects of new organizational forms on managers' working lives; through investigating working time, role intensification, job security, career prospects and work-life balance. The second research phase involved interviews with 68 senior, middle and junior managers in five Japanese companies – a traditional manufacturing keiretsu; a large established privatised company; and recently founded enterprises in telecommunications, retailing, and new technology. These organizations were chosen to represent a cross section of enterprises in the modern Japanese economy. The third study involved interviewing 44 managers in 22 companies across the three original countries, plus managers from Brazil and China; albeit the majority of managers interviewed were based in the UK.

Data for this paper are derived from interviews conducted with managers from a range of the organizations/sectors/nations studied over the three phases. As noted, one comparative dimension is managers working in liberal-market (US, UK) and coordinated-market (Japan) societies. In line with the matched sectors methodology, first a comparison of managers working for a giant multinational automotive corporation in various plants in the US and UK is presented. This is followed with data again reflecting a US-UK comparison, but in respect

of a different industrial sector – utilities. This empirical section is completed by data from firms operating in Japan, with information from a number of industrial sectors researched in the project.

The examples which follow illustrate the awareness of managers in relation to issues of insecurity/precarity. In the course of investigation managers were typically interviewed by two researchers: in most cases managers were interviewed individually, although some group interviews took place, mainly in Japan. The majority of interviews were audio recorded with recordings being transcribed by a contracted agency. Key themes from the interviews were identified from the researchers' personal analyses of transcripts, followed by cross-checking in group discussions (rather than data being coded through qualitative software). We feel this method is more closely aligned with traditional ontological and epistemological assumptions of 'interpretive' enquiry.

### **Managers in US and UK Automotive Corporations**

The first case is the Global Automotive Corporation (GAC), a US-owned multinational manufacturer which currently has a headcount of almost 200,000 employees in 90 plants worldwide. The company experienced a severe economic crisis as a result of the GFC, and although not declaring bankruptcy it made a substantial number of redundancies (50,000 in the US alone). Three rounds of interviews were conducted at the corporation: The first was at the UK HQ of the company in 2003, plus interviews with a senior HR manager and middle managers at a large UK engine manufacturing plant. The second round was with eight middle managers at a US-based manufacturing plant in 2005. And the third round took place with five managers at the same UK manufacturing plant in 2016.

In 2003, the corporation's US headcount was around 300,000. Research at the US plant suggested, in the late 1990s/early 2000s, it had experienced particularly troubled times. Indeed

management numbers had fallen by nearly a half between 1996 and 2003 as part of an overall workforce reduction of 30%; with this being mainly achieved by early retirement schemes, redundancy packages and recruitment freezes. In addition, almost one in three layers of the organization's structure had been removed. The management respondents reported greater work-related stress as a consequence of these changes, together with a significant increase in work intensification and working hours, and amid pay freezes, lower bonuses and fewer promotions.

A proportion of the early interviewing was devoted to the increasingly insecure nature of the GAC working environment. A production manager in the US reported this vividly on explaining his working history. He was hired in 1976 as an hourly employee and after almost two years was promoted to supervisor, a role in which he worked for about six years. During the last two years, however, he had to take on various roles around the plant before being laid-off for about a year. Subsequently he came back to work at the plant, but only intermittently, and for another two years before being laid-off again. Eventually he came back and was promoted to manager. But not many years hence he saw the plant close for a year, in 1990, an event which a number of the managers interviewed experienced.

This production manager and other managers were keen to explain how insecure the 1990s had been. They discussed several delayering exercises and as a consequence significant downsizing accompanied by progressive work intensification. Unsurprisingly, at the time the interviews were conducted, there was a constant fear of job loss in the plant, among managers as much as the hourly paid. Another middle level manager at GAC, explored the theme of managerial intensification and uncertainty, but suggested, instead, that the "increasingly paranoid nature of competition" in the industry was at the heart of this. In fact he explained scenarios of ostensibly contrived competition and manufactured uncertainty, and almost in

militaristic terms, with phrases such as “we have to identify who the enemy is and sometimes we spend a lot of time thinking it’s one of our sister plants”.

This manager was a second generation GAC employee and reported the fierce loyalty his father had for the company. He suggested initially he too had been “fiercely loyal” but now (at 54) doubted he would recommend the company to his son. This was largely because of the increasingly precarious nature of managerial work at GAC. In a comment typical of many made by GAC managers, he suggested:

We’ve gone through some very difficult times in the past few years...So I tend to think we had a paternalistic relationship with GAC and we assumed jobs will always be there.

But we’ve had a serious wake-up call and can’t take that for granted.

In contrast to the US plant, the UK GAC plant had been relatively successful; despite being in a depressed market position in Europe. In the early 2000s and in competition with other GAC plants globally, it had won a major order to build a new generation of auto engines; this had involved a £436 million corporate investment. Overall GAC employed 17,000 in the UK, but this represented a massive fall from 29,000 in 1997, with this again being achieved by redundancies, early retirements and recruitment freezes. When the plant was first visited, in 2003, the company had been through a period of rigorous downsizing and delayering, making it a decidedly “lean operation”, to quote company literature of the time. However, the investment had been won at a price, for management layers had been cut from eight to five as part of a series of major “reengineering” changes. As a consequence, and similar to our US respondents, the managers interviewed reported the onset of significant levels of work stress, longer working hours, greater work intensification and widespread and ongoing concerns about job losses. Some younger managers, however, appeared relatively sanguine about this situation, and even seemed to suggest such uncertain and competitive conditions were becoming “the new norm”, or the “spirit of the times”.

What was clear in these interviews, however, was a view that a major investment such as this still did not necessarily secure the long-term future of the plant, and increasing uncertainty, amid evermore (internal and external) competition, was still at the heart of the auto manufacturing game. The HR director offered a brief and straightforward explanation of why this was the case: “With the older technologies it would have (meant stability), but with the new flexible machinery centres, they are relatively easy to move”. While it was anticipated by the researchers that the HR director would probably be a political ‘mouth piece’ or ‘spin doctor’ for the company, he was in fact both candid and highly critical of GAC’s strategic and structural policies and practices. He described an organization that had been through an “extreme” restructuring process, including delayering and downsizing, and a process of financial management which he cynically termed “nano-management”. As a consequence, managers were again subject to work intensification and thus overseeing larger spans of control, undertaking longer working hours and characteristically performing work that was “being marked on scorecards”. This was all underpinned, in the prosaic words of the HR manager, by “a rationale of saving f’ing money” and resulted in middle managers “having an enormous amount of stress”.

The company, however, also seemed to be using these major investment ‘competitions’ strategically, so as to gain major productivity concessions from both managers and workers; or as one manager suggested “playing-off its global plants against one another”. All the managers interviewed perceived the backdrop to be the engendering of a climate of job insecurity in the plant, despite working for an old and very large *Fortune 500* company. Indeed, although a relatively young manager, *Carol’s* views were typical of others at GAC as she rehearsed what appeared to be the narrative elements of a corporate mantra of extreme internal competition:

I look at what is happening in manufacturing in the UK and there is a lot of fear of low cost producers, a lot of what we make here has been outsourced to low cost locations.

In that respect its quite worrying...my personal view is we have to increase our volume, improve our quality, reduce our costs – then we have a chance to survive. If we don't do we're basically looking at the plant closing.

The views of another manager at GAC similarly reflected the narrative of perceived plant instability linked to extant work precarity. As this financial controller suggested: “Yeah, I just assume there isn't any job security any more, and at this plant we're only as good as our next engine”.

The second round of interviews at this plant took place in 2016, thirteen years later and eight years after the GFC. During this visit it was found the plant had once again been successful in a global “internal competition”. This time it was a £181 million investment to enable it to export engines to GAC assembly plants in Europe (including Russia) and the US, and which was won in competition with sister plants in Brazil, China, Russia, Germany, Spain and Romania. This achievement was set in the context of a “tough trading environment” for the company, which according to respondents had seen the plant “weather the crisis” at a time when (most notably in 2012) there had been plant closures in Belgium and the UK, which had resulted in nearly 6000 redundancies. However there had not been any radical restructuring at the plant since our previous visit, as managers suggested most of the major (delaying and downsizing) exercises had already been introduced. Since then the view was that organizational changes had largely been “evolutionary not revolutionary”. Nevertheless, more than ten years on from the previous visit, managers still reported sensitivity to job precarity. While still undertaking a large number of role responsibilities, they were now part of a much smaller management team. The plant's employment levels were also down, by approximately seven per cent in the intervening period.

Of the GAC managers interviewed, the youngest was 39 and the oldest 60. All had worked for the corporation for their entire careers, albeit in some cases globally, with this

suggesting a large degree of job stability. Two had initially joined the company as apprentices. Despite this, the recurrent “competition for investment” – typically “every four to five years” – meant there were feelings of job insecurity reported recurrently amongst managers. As globally, to achieve productivity gains, plants were “regularly played-off against one another”, this appeared to reflect a wider corporate politics of reproduced competition promoting widespread employment uncertainty. The financial controller quoted earlier explained the situation well in terms of the customs and practices surrounding the bidding process, where:

In GAC UK, we are measured on cost per unit and are in (internal) competition with other plants; for example, in Brazil, Russia, Mexico and Spain. And to get the invite to bid for new business, everything has to be good – cost, delivery and quality.

This was compounded by ongoing efforts to restructure in order to minimize labour costs; which meant middle managers typically working long hours and in an intense environment. In discussions with GAC respondents, an expression of such work intensification was offered by an area manager who suggested “GAC are very clever, they get you to work at home for nothing, everyone does, and mobile phones haven’t helped, Twitter, Facebook and all”. Continuing the themes of uncertainty and competition, he went on to ask rhetorically:

What job security do you have? In 2019 our contracts run out and they could just give us notice. We are in arduous discussions with our unions. We have won the new engine for 2018, but part of that was (for us to accept) concessions – we had to put in a costed bid with cost cutting, cutting overtime and changing working practices. These negotiations were very tough and very challenging.

A younger quality manager agreed the system of rounds of internal competition, “breeds insecurity, with a life expectancy of three to four years, but then again we could have nothing – the (new engine) has secured us (employment) for now”. Similarly, a manufacturing manager agreed:

When we were bidding for the new engine, it was very worrying. I felt for the future of this plant (for) part of the deal was we had to get rid of overtime and increase outsourcing. We had to be very aggressive on this... This is all to do with labour costs.

We will do our core activities and outsource everything else.

This manager expressed starkly the career alternatives arising from such competitive and uncertain scenarios: “For me it would be a matter of where could I take my family – I could go abroad, but not to Russia, China or Romania”.

### **Managers in US and UK Utilities Companies**

The second example of managerial precarity involves visits made to utilities companies in the US and UK – two to US Utilities (USU), in 2004 and 2005, and two to UK Utilities (UKU); the first in 2004, the second in early 2016. Both companies were formerly state-owned entities, a regional one in the UK case, privatised in 1990, and a state-level one in the US; which had been privatised just prior to the first visit, resulting in considerable organizational restructuring and management changes. At the time of the first visit, UKU was undergoing a rapid strategic expansion, but by the time of the second had retrenched and refocused on core activities. Employment at UKU increased from 12,000 in 1997 to 15,700 in 2003, driven by mergers and acquisitions and in the process diversifying into a variety of related services from the late 1990s onwards. This expansion, though, was accompanied by significant redundancies, although the organization officially had a ‘no compulsory redundancy’ policy. The economic experiences of both companies were not as extreme as at GAC, partly because of the nature of competition in the utilities sector; with the water supply side being heavily regulated, certainly at the time of our early visits. However, the shift in ownership from public to private, together with elements of deregulation, had served to increase sensitivity to uncertainty in both organizations, and particularly as reflected in interviews with older managers; who reported experiencing a

markedly changing working milieu, characterised by increased stress, working hours and work intensification.

The first round of interviews at UKU comprised nine interviews with middle managers and one with a senior HR manager. In age the managers ranged from early 30s to late 50s. The series of mergers and acquisitions the organization had engaged in had themselves introduced a degree of turmoil – bringing with them redundancy programmes and major culture change exercises. One of the interviewees reported having to reapply for his job “every one or two years” and of having nine different jobs, in different locations, in twelve years. Promotions had become harder to achieve.

A number of managers suggested experiencing a far more complex and uncertain business environment. A younger manager in the strategy division described working in a situation with “lots of instability”. She described an environment in which “when you are lower in the organization, but you don’t have much control, and yet you are saying ‘I do want stability’ – well I don’t think I’m getting that!”

Elsewhere, a young auditing manager expressed views reflecting Burchell et al.’s (1999) argument that job insecurity in a firm can be engendered by fears of M&A activity, when suggesting caustically

Well in terms of security I think anybody working in this day and age never feels a hundred percent secure. We are a listed company and we could be taken over tomorrow...And we are (employed) in the corporate centre and would be the first to go. Meanwhile a financial support manager offered related views on the possible impact of restructuring at UKU – reflecting complex understanding of global competition and its effects on job security

There’s been a lot of concern, the share price is dropping and you’ve got an American utility bidding, a Japanese bank bidding, obviously nothing is going to be the same

again. We've got a large staff who are feeling, for the first time in their lives, because it's not long since privatisation, very insecure, and will they have a job next year?

Since privatisation, companies in the UK utilities industry have indeed been regularly the target of takeover bids by continental European counterparts, which has no doubt served to heighten awareness of job insecurity/precarity among managers. A 46 year old head of group strategic planning suggested, "the biggest concern for me would be being taken-over, and it might be a big German competitor. So even if I was good, the opportunities might be in Berlin, not Manchester or London".

UKU was revisited in 2016 and the researchers asked if it were possible to re-interview those consulted in 2004. For reasons which will become evident, this was not possible. The rapid expansion of the early 2000s took employment up to 16000, but the company had been through a major strategic retrenchment, divesting itself of its electricity business and several other business units, and concentrating instead on the water business. There was a major restructuring of the business in 2009, during which employment had fallen to 11000 and then later further still. However, a very senior manager, at the heart of organizational planning, reported that this reorganization was done with a particular purpose in mind – "to please shareholders". In contrast to earlier changes, for this restructuring exercise *compulsory* redundancies had occurred. A "tough cookie" by her own admittance, this senior manager had been head-hunted to run business services in 2007, and as such was somewhat unusual in a company where many had joined from school or university. Echoing an earlier interviewee at GAC, for her, the company was now in a situation where "uncertainty is the new norm" and where UKU "was still in a period of pandemonium and rapid change". Furthermore, she described how to "increase competitiveness" the company had "streamlined its employment system" and introduced "longer working hours for managers", together with "smartphone technology", which meant she was "always on call".

Many of the managers interviewed at UKU in 2016 expressed similar sentiments about work uncertainty and the intensification of employment. The head of development services suggested that in the current “ultra competitive environment” she was always forced to stay “one step ahead”. As such she regularly worked in the evenings, and also weekends, because “I don’t class Sunday as the weekend anymore”. Another development services manager noted that this “faster culture” had led to “feelings of insecurity” amid “dramatic change”, which she described as “horrendous”, and how “the difference from 20 years ago has been massive”, noting “until seven years ago” UKU had been “fairly stable” but now managers were “difficult to retain”. The head of employee communications, concurred: “We went through a major restructuring about ten years ago, it was brutal and now life is more fast-paced, the world has changed”. An international business planner, summed this up when explaining how “a new (executive) regime” had arrived around a decade ago and brought with it a desire to “keep people on their toes”, essentially instilling a sense of managed uncertainty. He suggested this was a major “culture shock” for UKU in that, “people here thought this was a job for life, but we had to explain change to them (for) new directors came in and expected you to change”.

In the first visit to USU, in 2005, a senior HR manager and five middle managers were interviewed. These managers were generally older than in other US corporations visited, perhaps reflecting an ageing managerial workforce at the organization: the youngest was in his mid-40s. As with UKU, the company had recently expanded, notably taking over a regional gas company. The company had, therefore, expanded its headcount due to the takeover, but made major redundancies in the process. The interviewees reported extensive delayering during this period, which resulted in a reduced managerial headcount and significant outsourcing activity, all part of a strategic move toward, as one manager described it, “a more lean and mean business model”. As a consequence respondents reported that managerial job insecurity had increased significantly. As a HR manager noted: “The sense of job security is

significantly diminished since we had our round of corporate severance”. This manager noted the emergence of a new attitude towards job security among younger members of USU staff, based primarily on their recent experience of post-takeover restructuring. Another mid-career manager expressed similar feelings on describing the recent compulsory redundancy programme and how this had been managed in a fashion at odds with USU’s traditional employment culture and practices. He reported starkly how, “people walked in one morning and there was an email saying some individuals will receive an email in an hour and they will have details on severance options”. Faced with this new climate of acute job uncertainty, he went on to suggest, “I pretty much work on the premise now that at any given time they could come up with a reason why I shouldn’t be here”.

### **Managers in Japanese Industrial Organizations**

The majority of interviews in Japan took place in the first and second phases of the research. In the first phase (2002-2006), all organizations accessed had undergone a period of restructuring in the face of low growth in the Japanese economy (post-1990) couple with capital flight to low cost economies in east Asia. In addition, the firms had all undergone downsizing in an attempt to cut labour costs, although primarily through a combination of voluntary/early retirement and recruitment freezes (see Jacoby, 2005). Additionally six of the eight organizations studied had experienced delayering, this being most striking at the larger and older firms. These factors had reportedly led to managerial work intensification, fewer promotion prospects and longer working hours.

However whereas in US and UK the motives behind such restructuring exercises often reflected explicit narratives of heightened internal/global competition or strategically managed uncertainty, in Japan they were more implicit or opaque phenomena in relation to managers ‘reading’ of corporate politics in this research phase. As such, Japanese managers suggested

less directly that the root causes of rising job uncertainty lay in strategic choices at the commanding heights of the enterprise: instead often linking such forces to wider ‘social’ changes, and focally the new work-related preferences of younger managers. Despite academic predictions to the contrary, an organizational commitment to long-term employment seemed largely intact at this stage of the research, despite managers often being perplexed by the onset of Anglo-American business practices. So whereas in many cases these organizations had undergone culturally robust forms of restructuring, it appeared managerial jobs were fairly secure.

Nevertheless, when pressed at interview some managers perceived being less sure of their positions than had *historically* been the case for Japanese industry. This seemed to stem from the sheer extent of the restructuring experienced, under what were dramatic organizational changes for Japanese managers and society in general. As a middle manager at a large auto maker put it: “Personally I don’t feel secure about my life and also society itself is changing”. Similarly, a middle manager at a large electronics corporation suggested;

Loyalty in the company has declined for a while. People used to stick to the company rather than (work) just to get jobs or skills...But that has changed. Instead of being loyal to the company nowadays people are becoming more loyal to their jobs or skills or occupations...especially people younger than 35.

The second phase of interviews in Japan took place from 2012-2015. It was anticipated that long-term employment would by now be a relatively unimportant issue in these interviews, given they took place several years after the GFC. Also a number of these companies were ‘new economy’ and possibly less wedded to traditional employment practices. Surprisingly, though, senior managers in several of these organizations suggested their firms maintained some form of long-term employment commitment, the main exception being a retailer with a business model heavily dependent on part-time and temporary employment. However, despite

certain senior managers professing such organizational commitment, when managers lower down the hierarchy were interviewed they often suggested no longer anticipating a 'job for life' and indeed appeared far less concerned about this than similar managers in the initial round of interviews. This seemed to represent something of an attitudinal sea-change to job security, and especially among younger Japanese managers, who occasionally rehearsed narratives similar to their US and UK counterparts to explain their employment situation. A manager in his twenties at a large engineering manufacturing keiretsu noted candidly:

Many companies are now firing employees, Panasonic, Sony...So maybe it's not necessarily possible to stay in the firm for a long time. In our company the TV set division was kicked out...So I don't think I can expect lifetime employment.

When asked about the Japanese labour market, another young manager at the same company commented similarly: "I guess it is changing, I mean an (external labour market) is emerging in Japan, so we could find decent jobs". A corollary of this seemed to be younger managers no longer felt such habitual loyalty to their employers and were instead regularly assessing their career futures. A manager at the keiretsu, a very traditional company providing predominantly secure employment, mused: "I enjoy my job at the moment, but I don't think I'll stay in the company for my entire career". He also hinted at having different, more personally-oriented, career aspirations to those traditionally held in Japan. In contrast to the time-honoured 'conveyor belt' notion of Japanese managerial progression, he suggested "I think the most important factor for me is my personal growth. If it's not a really good environment to grow...then I may leave'.

Several managers also described Japanese employees increasingly becoming resentful of being transferred by their firms to plants or divisions in distant locations and having very little 'say' in the matter, an established practise in keiretsu firms. One described the actions of a close friend: "He got fed up with the technology stuff...So he found a job at Mitsui (a trading

company) and some other friends took these opportunities too”. Elsewhere another young manager, at the recently established telecommunications company, had left several weeks before. Her comments perhaps exemplify the changing views of career aspirations among younger Japanese employees: “I joined the company and stayed for five years, but now is a good time to shift my career and so I have quit to study in the US...but I enjoyed working in the firm”. Similarly at the recently founded high-technology internet firm, many managers expressed a desire to leave in the relatively near future, often to establish their own small businesses in the sector.

Such awareness on behalf of the managers we interviewed in Japan seemed to suggest they were interpreting the new employment situation twofold. On the one hand, there appeared a degree of ambiguity regarding job insecurity in respect of wider economic changes and intensified corporate competition. On the other, there seemed a sense of resignation to changes that were assumed to be taking place generally in society, this representing a growing yet implicit sense of uncertainty being progressively manufactured in modern Japan.

## **Discussion and Conclusion**

This data, drawn from managers in large organizations in the US, UK and Japan over a fourteen year period, suggests a continued trend of managerial job uncertainty/precarity. Responses, however, sometimes varied between organizations and even between managers in the same organization. This was perhaps understandable given the nature of previous and ongoing restructuring in many of the organizations researched. Views differed somewhat by country, with arguably managers having far more immediate and explicit concerns about job precarity in the US than in Japan, with the UK placed somewhere in between. In other words, awareness of precarity seemed mediated partially by the type of society and business system within which firms operated.

There were also consistent differences between older and younger managers in the organizations and societies studied. Older managers appeared far more perplexed about a lack of job security than their younger counterparts, who were more accepting of a working milieu where employment could no longer be judged to be 'safe' and 'reliable'. Instead for younger managers it appeared taken-for-granted that the managerial career was an 'uncertain' or 'precarious' phenomenon – simply the way of the (modern) world. Furthermore, given the current climate of heightened global competition and widespread managerial uncertainty, there appeared widespread acceptance that younger managers would now naturally move to similar positions in other organizations, and through their own volition, rather than be tempted to fan the dying embers of notions such as a 'job for life' or 'cradle to grave' employment, which had been rehearsed by older managers in the first phase of interviews, notably in Japan but also in the UK and the US.

Therefore despite much database and questionnaire-derived research suggesting that managerial tenure rates have remained resistant to change, managers in the organizations studied generally reported a sense of rising job insecurity, even those who had effectively experienced one-company careers. Indeed in the 2015-2016 round of interviews at the auto company GAC (UK), all of the interviewees fell into this category, a number having joined as graduates or even as apprentices and then been educated while in the employ of the company. Given an ostensibly similar situation pertained in the 2016 round of interviewing at the utilities company UKU, what explains the concerns managers had about their jobs?

It is argued here that our empirical evidence basically supports, albeit with qualifications, the arguments of Doogan (2009) for 'contrived competition' and 'manufactured uncertainty'. In the US and the UK these concepts seemed reflected in many explicit corporate actions, whereas in Japan similar messages emerged from the data although often of a more implicit kind and reflecting wider societal changes as much as purposive corporate strategies.

In the UK and US, both contrived competition and manufactured uncertainty seemed reflected in recurrent narratives about perceived pressures linked to the (hypothetical) actions of ‘competitors’. Importantly, this formed the context of automotive firms using intra-plant competition purposively to augment productivity and stimulate feelings of managerial job insecurity, or what is sometimes termed corporate ‘whipsawing’ (Martin, 2004).

Similarly, at the utilities companies older managers had experienced the privatising of their organizations accompanied by various ‘marketisation’ campaigns, this begetting a more competitive and uncertain cultural climate. Elsewhere the first phase of research saw both US and UK local authorities either divesting themselves or mooting to divest a number of their service provision operations, this also engineering a sense of heightened uncertainty and greater competition in the process. Further, there was considerable evidence of the destabilising influence of M&A activity: this was evident at UKU, which at the time of the first interviews had been subject to speculation of a “foreign takeover” (albeit one that did not materialise) and at the large Japanese engineering keiretsu, where the company had divested large loss-making parts of the business, again creating uncertainty. Such data seem to support the argument of Burchell et al. (1999) that threat of M&A activity is the biggest influence on awareness of job uncertainty.

However it can also be argued that the contrived competition argument extends beyond this. The contention is, whether explicitly or implicitly, that large firms are creating uncertainty by the very nature and extent of their organizational restructuring activities. This was seen extensively in corporate actions both prior to and during the first round of interviews, and represents a trend supporting Alvesson and Spicer’s (2016) argument that recurrent corporate restructuring inevitably leads to job uncertainty. Moreover the nature of global competition partially explains this too, notably through the incessant cost control pressures applied by large corporations, and particularly maintaining low labour costs. A large US electronics company

reported in 2005 of its ‘rank and yank’ appraisal scheme whereby the worst 10% of performers could be let go. At interview, however, the HR director admitted that, in reality, this was never likely to happen. Similarly, one of the UK companies in the 2016 interviews was a multinational consulting firm where one of the key management performance indicators was how much business they could transfer to India; where labour costs, even for skilled management consultants, were much cheaper. This strategy seemed to be gaining weight at other companies visited around this time.

Indeed the constant quest for managerial cost reduction was universal in the corporations visited, irrespective of performance. This is being driven, however, by something far more fundamental: the search for shareholder value. In contrast to a post-WW2 period of protecting managerial staffs from the rigours of the labour market, our data point to the contemporary engendering of an essentially contrived form of competition in order to maximise managerial and other forms of labour productivity, a situation which heightens uncertainty about managerial employment through the rehearsing of corporate-induced narratives. Ultimately, this is part of a wider ideological explanation of precariousness in contemporary capitalism in which neo-liberalism, financialization and shareholder value are increasingly hegemonic.

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