RECONSTRUCTING A CULTURE CLASH AT GENERAL MOTORS: AN HISTORICAL VIEW FROM THE OVERSEAS ASSIGNMENT

Elizabeth K. Briody and Marietta L. Baba

INTRODUCTION

Knowledge of organizational history can play a crucial role in understanding human behavior in modern corporations. Embedded in history are clues to the origins of organizational structures (Stinchcombe 1965), managerial philosophies (Schein 1985), and employee behavior patterns (Allaire and Firsirotu 1984) that characterize the modern corporation. The imperatives of the past appear to leave an indelible impression on an organization, that continues to exert a pervasive influence on current organizational affairs.

In this paper we discuss the ways in which knowledge of organizational history enabled us to solve a perplexing human problem at General Motors Corporation (GM). Initially, the problem presented itself as variation in the repatriation experiences of GM's expatriate employees (known as International Service Personnel, or ISPs). Some ISPs return to the U.S. to find rewarding positions that exercise the skills and talents the developed overseas. Others, however, experience long periods of time with no viable return position and when finally placed, report low satisfaction in jobs that have not taken advantage of their professional capabilities.

Ultimately, we traced the root cause of these differences in repatriation experiences to the existence of two conflicting cultural patterns within GM -- one pro-international and the other anti-

international (Briody and Baba 1991). Each pattern manifested a distinctive organizational domain within GM -- the international domain and the domestic domain. In spite of top management's efforts to integrate the two, these patterns continued to co-exist side-by-side and even appeared to grow stronger over time.

We originally stumbled onto the existence of the two patterns through an historical study of GM's international operations. Historical data on GM's early international organization clearly revealed the pro-international pattern, including its key structural, ideological, and behavioral features. Once this pattern was discovered, we were readily able to recognize its modern cultural equivalents, despite the fact that none of them were associated strictly with international organizations. Recognition of the modern forms was possible because the modern forms exhibited many of the same features as the earlier prototype, even though the prototype had ceased to exist many years earlier.

Recognition of the original pro-international pattern also allowed us to recognize its antithesis -- the mainstream anti-international pattern. We refer to this anti-international pattern as mainstream because it seems to pervade GM's North American operations, which are, in many ways, the mainstream of the corporation. Indeed, this mainstream anti-international pattern might have been too obvious for us to notice had it not been for the discovery of the pro-international pattern which presented a striking contrast to that which was familiar. The pro-international pattern, discovered through historical research, served as a conceptual template that enabled recognition of its opposite. As soon as we grasped the key features of these two cultural patterns, we were able to explain the variation in ISP repatriation experiences.

Historical research also provided important insights into the process by which organizational conflict unfolds within a corporation. As we discovered, antithetical cultural patterns in organizations do not necessarily clash unless they come into direct contact with one another. Contact appears to be a stimulus which can bring to the surface and exacerbate latent differences which are a prerequisite to conflict. In the case reported here, contact between the pro- and anti-international patterns came about as a result of actions taken by a third group -- GM's top executives -- whose efforts to enhance the company's international competitiveness inadvertently threw employees associated with each cultural pattern into direct contact with one another, thereby creating a whole new set of organizational problems. Our

understanding of this process would not have been possible without detailed historical reconstruction.

Here we retrace the steps of our historical study, taking the reader back through the evolution of GM's international operations so that we may document carefully each of the findings that emerged from the historical materials. The objective of this review is to demonstrate that the past holds insights that are key to an understanding of the cultural present. We suggest here that historical reconstruction should become an integral part of the methodological tool kit carried by organizational anthropologists. Historical reconstruction enables anthropologists to identify and characterize organizational forms in an earlier state, when they are perhaps simpler, fewer in number, less geographically and/or organizational dispersed, and farther removed from the investigators' current and familiar experience and thus, less likely to be taken for granted.

A second objective of our paper is to suggest that once organizational structures, philosophies, and behaviors are established within an organization, they tend to persist over very long periods of time. Indeed, they may persist long after their initial utility seems to have ended and modern substitutes have evolved to take their place. It was Stinchcombe (1965) who originally showed that organizational structures persist through time. Our study extends his work by demonstrating that persistent structures are only one component of any given organizational context. Our discussion of distinctive cultural patterns within GM encompasses behavior and philosophy as well as structure. It is likely that GM encompasses behavior and philosophy as well as structure. It is likely that GM's organizational structures would not have persisted if they had not been enmeshed within a tradition that perpetuated their utility and salience across many generations of managers.

We present our findings in three parts, each focusing on a distinct period in GM's history. For each period we provide background information on the environmental conditions that surrounded the corporation, and the relevant organizational structures, ideologies, and behaviors of the time. Our focus is directed towards the overseas assignment at GM. The international assignment opens a unique comparative window on both the pro-international and anti-international cultural patterns since ISPs typically travel between and across units associated with these cultural patterns in the course of overseas duty.

DATA AND METHODS

The data for this paper are based on two different sources. First, we conducted semi-structured interviews with former ISPs and their families, ISP program administrators, and domestic managers whose staff members had overseas experience. Much of this information includes oral histories, highlighting both individual and organizational experiences. These reported experiences interweave ideological or attitudinal data with actions and events related to the overseas assignment. Approximately 75 individuals participated in our study, spending on average 90 minutes responding to our interview questions.

Archival documents were a second data source. Selected company magazines, annual reports, and policy statements were critical to our understanding of the development and changes in the overseas assignment and in GM's overseas operations during the twentieth century. Such information included vehicle production and sales figures, population data on overseas employees, official policies and viewpoints, and changes in organizational charts and reporting relationships. Other scholarly and business publications provided us with background data on the automotive industry and its environmental context.

PHASE I: THE INTERNATIONAL CADRE PERIOD (PRE-1970)

Expansion and Growth into Overseas Markets

New organizational forms emerge and develop in response to, specific environmental conditions which present particular sets of opportunities and constraints (Aldrich 1979). The characteristics of the new forms are shaped in large measure by environmental variables that encourage or inhibit certain types of responses. Our historical investigation revealed a unique configuration of environmental variables that existed during GM's early decades and contributed to the emergence and growth of a pro-international cultural pattern. The most important environmental condition shaping the development of this pattern was the opening and prolonged expansion of a global market for automobiles, particularly in Western Europe. From 1911 to 1960, GM was one of only a few American firms interested in markets beyond U.S. borders. During this period, GM successfully activated a sequence

of business strategies, first designed to gain access to overseas markets, and then to ensure growth in these markets. These strategies transformed GM from a national to a multinational corporation, and provided an environmental and organizational context for the growth of a pro-international cultural pattern within the company.

The first strategy in the establishment of the GM Export Company in 1911 as a mail-order service to independent wholesale distributors in Europe and elsewhere. "Completely knocked down" (CKD) vehicles were boxed and shipped to these distributors who sold them, but often refused costumer requests to stock spare parts or to perform service operations when the vehicles needed repair. The mail-order business grew steadily from 1911 to 19, 415 in 1920 (*General Motors World*, 1961, 40(3):14).

During this period, some GM executives began to argue that GM also should invest in assembly plants overseas which would assembly plants overseas which would assemble these CKD vehicles shipped from the U.S. and Canada. The purchase of assembly plants overseas would offer several advantages to GM: decrease in freight, insurance and duty costs, reduction in damage to CKD vehicles during shipping (versus pre-assembled vehicles), and the establishment of overseas bases from which to launch direct dealerships offering a greater variety of models to customers and the provision of maintenance and repair services. The purchase of assembly plants also was as a way of competing more effectively with Ford, which was already assembling vehicles in Copenhagen and selling many more cars than GM in that market.

Thus, GM activated a second strategy to expand business opportunities abroad. It opened its first assembly plant in Copenhagen in 1923, and saw overseas sales grow from 54,000 to 64,854 during the following year (*General Motors World*, 1951, 3(1):8). As a result of this success, additional assembly plants were opened in Belgium, Argentina, Brazil, South Africa, New Zealand, Germany, Australia, Japan, Java, Sweden, Poland, and India -- all by the end of 1928. More assembly plants were opened in Switzerland and Mexico in the 1930s, and in Peru, Venezuela, and Pakistan in the 1940s. GM's strategy was to open assembly plants to serve primary markets absorbing 10,000 or more units per year. Smaller secondary markets continues to be served by the Export Company.

By the mid 1920s, GM faced a number of difficulties in its attempt to conduct business activities outside the U.S. These difficulties became increasingly important over time: mounting exchange and tariff barriers, nationalistic sentiments, and cultural preferences for European styling. Indeed, during the Great Depression of the 1930s, stiff tariff barriers were erected by many nations in the belief that employment could be increased by excluding foreign goods. Such socio-political conditions were significant factors in the initiation of manufacturing abroad as GM's third business strategy. GM acquired two European companies, Vauxhall Motors Ltd. in England and Adam Opel A.G. in Germany -- companies which made vehicles that were different from those produced in North America. These vehicles were smaller, more fuel efficient, and designed to withstand the geographical and climatic conditions of Northern Europe. Additionally, because these companies had previously established operation, a native work force, and a tradition of local ownership and management, they were strategically and operationally advantageous for GM.

Over the course of the Depression, CKD sales abroad from U.S. and Canadian factories dropped from 91 percent in 1929 to 52 percent in 1932 (*General Motors World*, 1951, 3(4):2). Clearly, vehicles manufactured by GM in Europe came to assume greater importance during this period. In fact, by 1960, seven out of eight vehicles sold by GM overseas were manufactured abroad (*General Motors World*, 1961, 40(3):18). Excluding the Depression years and period of World War II when most GM plants overseas were converted to the production of military equipment, the overseas operations oversaw a continuous period of global expansion from the early decades of this century until the mid-1960s. Especially important were the years after World War II when American-made vehicles were able to dominate European markets easily, given the war-related destruction and slow recovery of Europe's industrial capacity. Figure 1 depicts the growth of GM's overseas sales during this period and reflects the expansion of a new industry into open, unsaturated markets in the relative absence of intensive international competition.

Thus, in the five decades between 1911 and 1960, GM's overseas operations experienced a prolonged period of global growth and expansion. As GM responded to new market opportunities and constraints, its international activities grew from simple export, to overseas assembly, to full-scale manufacturing abroad. GM's increasing

investments overseas represented by these developments reflected a strong organizational commitment to market growth and successful penetration. The growth orientation of GM's international activities during this period established a context for the birth of a strong pro-international pattern which we believe developed into a distinctive organizational subculture.[1] As we discuss below, the pro-international subculture both includes a distinguishing set of characteristics, and is an important component of the larger GM corporate culture.

Elements of the Pro-International Subculture

The steady growth of environment opportunities overseas encourages the simultaneous growth of an international organization within GM. Our historical research uncovered substantial descriptive material pertaining to specific features of GM's first international organization. In this section, we discuss the structural, ideological, and behavioral feature of this international organization. Together, they form the profile of the pro-international subculture at GM, a discovery critical to our research objectives.

Structural Autonomy. A key feature of the pro-international subculture, and one which probably enabled the development of other distinctive features, was structural autonomy. GM's overseas operations were not integrated into the main fabric of the North American organization but instead were organized as separate units of the company. As autonomous organizations, the overseas operations had considerable authority to plan and execute their own assembly and marketing programs based largely on the sales of American-made cars. Further, it appears that they were free to create and implement personnel polices which served their own needs rather than those of the domestic organization.

Geographical Separation. A structural corollary of the separate and distinct character of the overseas operations was the location of the overseas headquarters. With the exception of the four years between 1913-1917, the central office of GM's overseas activities was located in New York City (*General Motors World*, 1961, 40(3):6). In 1938, this office became the headquarters of a new division known as the GM Overseas Operations (GMOO). On average, between 900-1,000 people
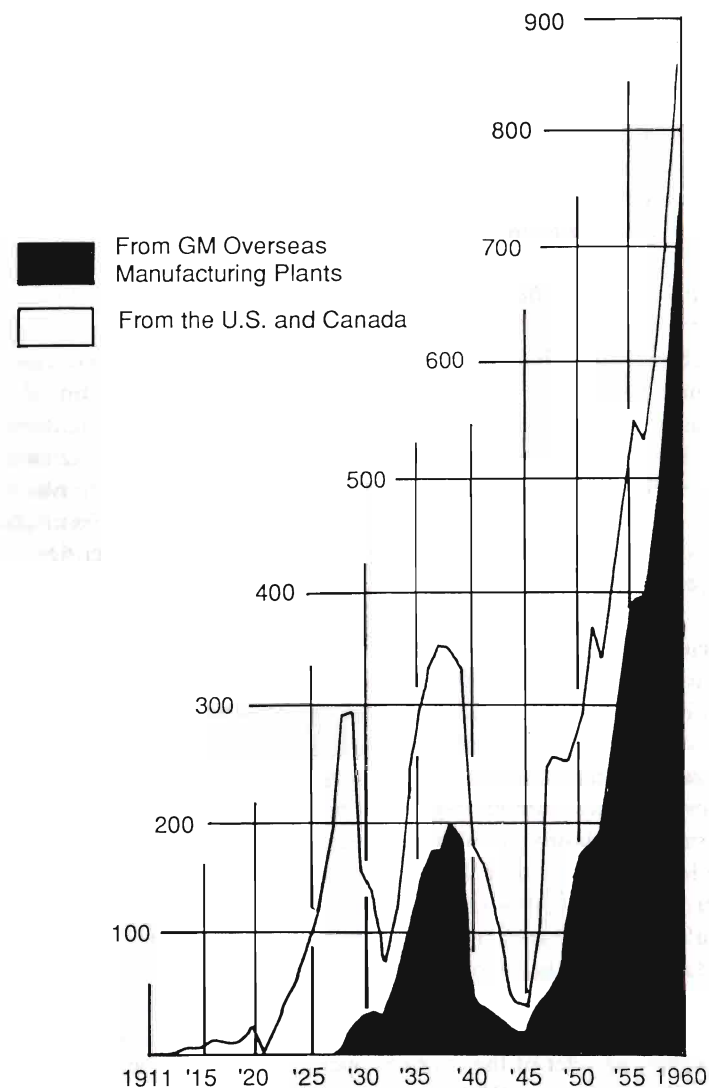
Source: GM World, 1961, 40(3):18, May/June.

Figure 1. GM Overseas Vehicle Sales by Manufacturing Location
(in thousands) 1911-1960

were employed in the New York office during Phase I (i.e., before 1970). The Foreign Distributors Division (FDD), which handled exports, also had its headquarters in New York. Like GMOO, FDD sent ISPs overseas.[2]

Domestic Headquarters in Support Role. Another indicator of the structural division between the overseas and domestic operations was the relationship between the New York and Detroit offices. Detroit, of course, was headquarters for GM's North American operations. However, a small staff averaging 136-150 employees associated with the overseas operations was located there as well. The New York office viewed its small Detroit office as a staff operation and received technical assistance from them. As reported in the *General Motors World* (1963, 42(3):13), "The location of the Detroit staff allows it to maintain a working relationship with the domestic plants, the manufacturing development and engineering activities of the domestic divisions...." Thus, the technically-based Detroit staff acted as a buffer between the overseas and domestic operations, reinforcing the structural separateness of the New York office.

International Focus of Personnel Selection. The new recruits flowing into GMOO and FDD intentionally applied for employment in GM's New York office because of their strong interest in overseas assignments. The majority of ISP candidates were hired directly in the New York office rather than through the Detroit office. According to one administrator, "Implicit in the hiring at the New York office was the fact that you'd be going overseas...(Potential hires would) know that, realize it ,and accept it, or (they would) go to work for another company." Most of the ISPs, particularly those hiring in through the New York office, had an "international outlook and were dying to go overseas," stated one individual.[3] Although some New York employees always worked and resided in New York, most of their new employees worked only for a limited period as a staff member in New York to gain knowledge of the overseas operations; then **they** engaged in a series of overseas assignments. As such, the GMOO and FDD Divisions were best characterized as an international cadre.

Career-Long Circulation within International Operations. Once they joined GMOO or FDD, overseas operations' employees spent most

of their working lives abroad as "career internationalists." The assignment length was about three years, although according to program administrators, "You never expected anyone to come back in three years." ISPs were hired in New York or from one of the domestic car divisions or staffs through the Detroit office. Once they became affiliated with the overseas operations, they usually remained GMOO or FDD employees for their entire career. Figure 2 shows the model for the selection of personnel from both the New York and Detroit offices. Upon return from an overseas assignment, "You either stayed with the (GMOO) staff or took another overseas assignment (since) GMOO looked our for its own" stated one administrator. Another remarked,

> During the 1930s you really had career types. There were still many
> during the 1950s, fewer in the 1960s, and fewer yet in the 1970s and
> 1980s. When an ISP who had been a factory manager or a technical
> director would come back in the 1940s or 1950s, he[4] would probable
> sit around until another assignment came up. He would have some
> little projects to work on but we weren't trying to place these people
> back in the (domestic) divisions where they originated. They were
> career types.

Figure 3 depicts the repatriation pattern of an ISP during Phase I. The arrow shows the direction of the ISP return flow from their assignments overseas to the headquarter offices for reassignment -- usually to another overseas location. In this closed system, repatriation did not usually extend to the domestic staffs and divisions. Because personnel exchanges back to the domestic units of the company did not occur, the overseas operations developed their own unique, yet enclosed subculture.
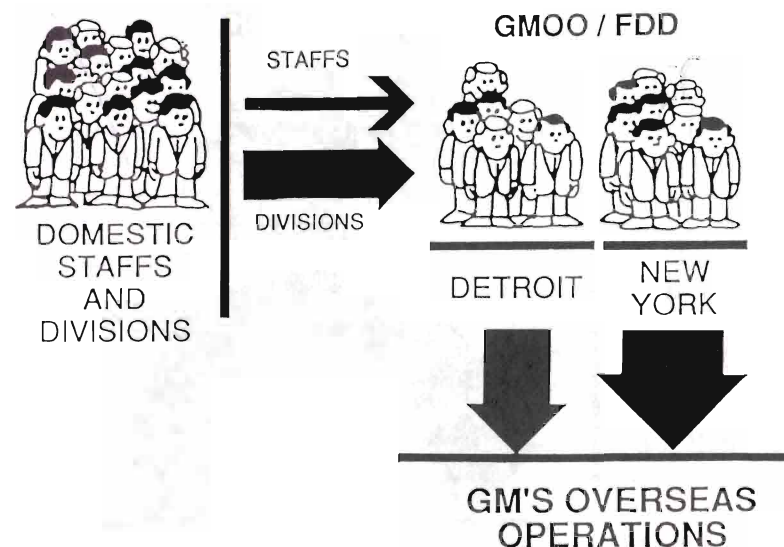
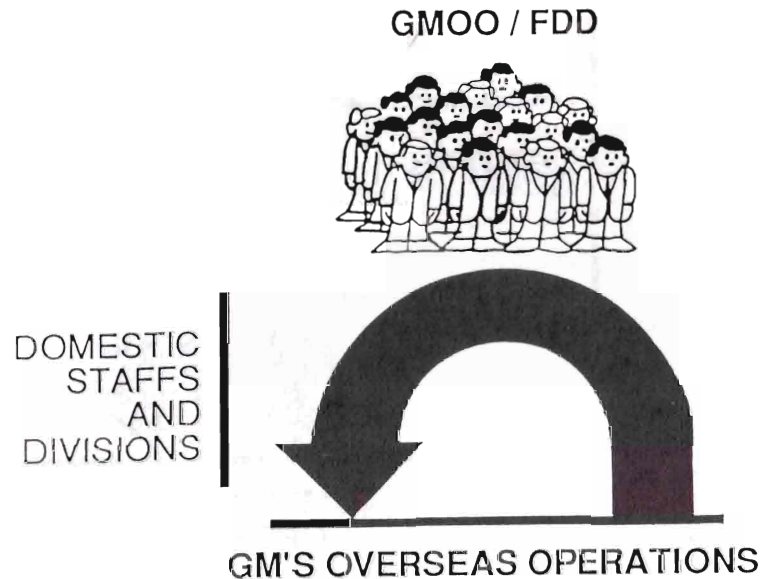Figure 2. ISP Selection within GM's Overseas Operations (Pre-1970)

GMOO / FDD

DOMESTIC STAFFS AND DIVISIONS

GM'S OVERSEAS OPERATIONS

Figure 3. ISP Repartriation within GM's Overseas Operations (Pre-1970)

International Skills Highly Valued. Members of the overseas operations shared a common ideology which centered upon the premise that overseas assignments were valued highly by the GMOO and FDD organizations. Indeed, ISPs filled critical positions overseas as GM expanded its operations between the 1920s and 1960s. Many of those sent abroad developed the general managerial and negotiating skills needed to interact with very diverse groups of host country national including employees of the particular GM overseas facility, government officials, and members of the local business community. Because such knowledge and experience represented one of the principal mechanisms by which GM was able to develop and maintain business contacts and relationships outside the U.S., the skills of these ISPs were critical to and highly valued within the international organization.

Upward Career Mobility. Perceived and actual upward career mobility was an important dimension of the overseas operations' homogeneous subculture. Although ISPs felt that they were expected to accept any overseas assignment offered to them, barring unusual personal circumstances, they usually viewed each assignment as an opportunity for upward mobility. An overseas job offer represented new career challenges and experiences because of the variation in job tasks and overseas locations. Indeed, ISPs commented that each assignment contributed to their career path because it was a "stepping stone to something better."

International Status Hierarchy. The overseas divisions were characterized by the importance attached to the relative status within and between the overseas locations. Most employees of the overseas division anticipated promotions within the managerial ranks as their careers within GMOO or FDD progressed. However, in any given overseas location, the managing director's position was the most prestigious. One ISP recounted, "The GMOO executives were gods. You stood at attention. You were a rookie. They commanded." The prestige that surrounded these executives seemed to stem in large part from their ability to communicate and negotiate effectively with host country nationals. Among the overseas locations, there was a ranking of the managing directors' positions such that the position held by managing director of Adam Opel A.G. conferred more status than the managing director's position in a smaller GM operation. Other high status positions to which some ISPs aspired included domestically-based

managerial positions within the international organization, such as the position of general manager of GMOO. The overseas operations awarded high status and prestige to successful international personnel and protected the interests of such personnel by awarding them assignments of increasingly greater responsibilities in the overseas operations.

In summary, the expanding international market for automobiles encouraged the formation of a distinctive pro-international subculture at GM. This subculture attracted individuals with a strong, positive orientation to overseas work and retained such individuals for long-term careers abroad. Once a member of the pro-international subculture, the tendency was to stay there for life, circulating within a closed system -- a system which placed a high value on international experience and rewarded such experience with steady upward mobility.

PHASE II: THE TRANSITION PERIOD (1970-1977)

Beginning in the early 1970s, an environmental shift in the world market for automobiles triggered a series of events that created conflict between the pro-international subculture of GM's overseas operations, and the mainstream domestic environment. Prior to this time, these two domains had co-existed harmoniously in different market niches, separated structurally and geographically. However, an attempt by GM to integrate the domestic and international niches during the 1970s brought the pro-international subculture and domestic organization into direct contact for the first time, causing tensions and discord between them. In this section of the paper, we briefly reconstruct the historical events surrounding the environmental shift, and the adaptive responses at GM that led to the clash of the pro-international subculture and the anti-international dimension of the domestic environment. We then discuss the ways in which historical reconstruction enabled us to recognize the existence of the anti-international pattern.

Rising International Competition and Nationalism.

The economic growth associated with GM's expansion overseas began to slacken by the late 1960s, providing the first evidence of an environmental shift. GM's overseas operations entered into a transition

phase during the early and mid 1970s characterized by two distinct phenomena. First, GM began to experience a rise in competition in the market place, particularly in Europe. As European industrial capacity recovered from the devastation of World War II and a number of European vehicle manufacturers began competing directly with GM and other American automobile manufactures, the strict domination of American-made vehicles in Europe ended. Despite an overall growth rate of 250 percent for vehicles sales in the 1950s, GM's overseas sales during the 1960s had grown by only 85 percent (Cray 1980:452). The relative loss of ground overseas was tied to the limited number of GM automobiles that satisfied European market demand for small, fuel efficient vehicles that could cope with varying topographical features.

Second, GM faced other difficult problems during the 1970s, many of which were related to a rise in nationalism around the globe (see for discussion Tepstra and David 1985:221-223). Host nations established "local content" legislation which required foreign firms to increase the proportion of raw materials and/or supplies produced within the host country (versus importing these materials/supplies from elsewhere). These nations also strongly encouraged or demanded that foreign companies hire larger numbers of local nationals to manage such enterprises, rather than selecting expatriates from the corporation's home base.

The Beginnings of Reorganization

To address the rise in competition and nationalistic sentiments overseas, GM identified and implemented several broad-based strategies. GM's intention was to redirect many of its efforts to enhance it international competitive position generally. One of these strategies was designed to "internationalize" the company so that it would be able to compete more effectively in a global market place. GM executives no longer considered the isolated overseas operations' office in New York to be adaptive in a changing world. One program administrator stated, "Detroit was more tuned into the pulse of the corporation. New York was isolated and was set in their ways. They had their own kingdom out there." The executive group believed that by integrating the functions performed in New York with those in Detroit, the company would benefit in at least two important ways: the overseas operations would receive greater managerial attention from company executives, and they would have access to larger numbers of skilled and talented

personnel. AS a result of GM's new strategic direction, the dominance of the New York office began to decline. Gradually, many of the functions that were once performed in the New York office were transferred to Detroit and the New York employees relocated. Concurrently, the Detroit staff of GMOO increased to about 200 employees in preparation to take over more responsibility for international operations.

A second strategy, whose significance will become clear later, aimed at strengthening GM's overseas operations through a reorganization of the component operation (i.e., units devoted to the production of vehicle components such as electrical systems, batteries, and radiators). Throughout GM's history, the overseas component plants had been managed by GM's overseas organization. During the Transition Period, however, plans were underway to reassign the responsibility of these components plants from GMOO to the domestic component division (such as Delco Remy Division which manufactures electrical components). Each component division now would be charged with running its own domestic and international facilities. According to one program administrator, "tremendous overseas opportunities" were anticipated by those component mangers with a "global vision." Such managers were looking forward to their new international responsibilities because they afforded new business alternatives given the lower labor costs abroad and market expansion possibilities.

The third strategy established during Phase II (i.e., 1970-1977) consisted of changes in the size and composition of the ISP population. During the 1970s, the number of ISPs increased from about 300 in 1971 (*Annual Report* 1971:16)to 836 in 1982 (personal communication from a GM administrator 1986)[5]. This quantitative shift in hiring for the ISP program was a result of both GM"s diversification into joint venture contracts, largely with countries in the Far East, and GM"s expansion into South Africa, Brazil and Mexico. While GMOO was still charged with recruiting and selecting GM employees for assignments abroad, program administrators and other GM executives stressed that there were an insufficient number of ISP candidates within GMOO to meet the new and expanding overseas demands. One executive commented that, "We were beginning to lose our competitive edge...We needed to move (expand our pool) within the corporation because we needed its expertise."

Consequently, the composition of the candidate pool for overseas assignments was transformed. The overseas operations increasingly relied on the Detroit office and its ability to locate potential candidates from **within** the domestic staffs and divisions rather than hiring new personnel directly through New York[6] (see Figure 4). Increasing reliance on Detroit resulted both from an increase in the number of ISPs needed and in the type of skills required. Both because of new plant construction abroad, and because changes in the local content rules in various countries demanded that GM manufacture an increasingly higher percentage of its products overseas (rather than simply shipping in parts and whole units for assembly), the type of skills needed abroad were changing. One program administrator commented that, "More of the engineering, manufacturing, design, and service employees were needed to a greater extent than the financial, sales and supply people." In other words, the overseas operation had an increasing need for skills that would most likely be found within GM's domestic organization rather than in the general job market. By the end of the Transition Period, about one-half of the ISPs were selected by the Detroit office from within GM"s domestic operations.

Thus, the Transition Period witnessed the beginning of a series of changes for the pro-international subculture and the rise of a new domestic dominance over international affairs. Several features of the pro-international subculture were challenged and weakened during this period including the structural and geographic autonomy of the New York office, the international orientation of individual selected for overseas assignments, and the circulation of ISPs within a career-long international cadre system. Indeed, the existence of GMOO and FDD as a separate international enclave was seriously disrupted as increasing numbers of employees form GM's domestic operations were assigned to overseas duty through the Detroit office. For the first time in GM's history, the structural and geographic barriers separating the domestic and international organization were broken and the international arena was opened to direct contact with the domestic organization. As international administrators in Detroit worked to recruit employees form GM's domestic division, the first signs of a significant culture clash within the organization emerged. This clash, which first presented itself in our historical data as an ideological and behavioral conflict between domestic and international managers, was our initial clue to the existence of an anti-international pattern at GM.
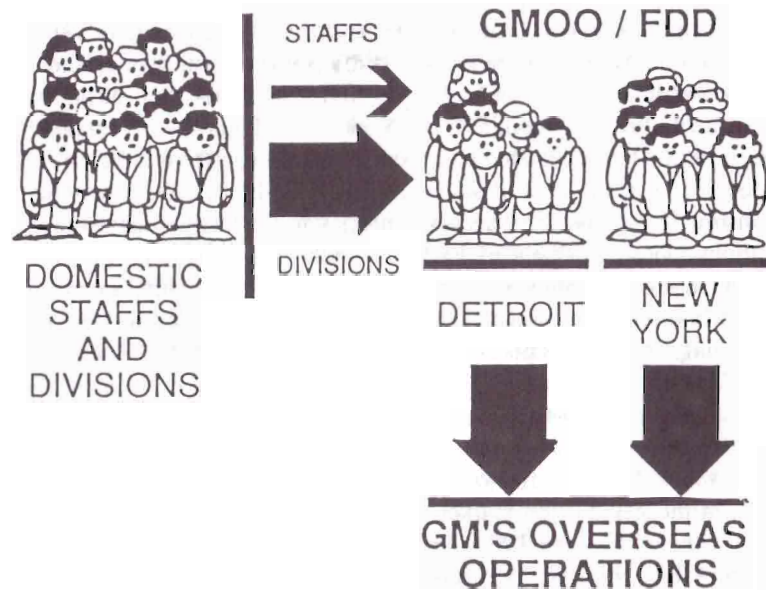
STAFFS

GMOO / FDD

DIVISIONS

DOMESTIC
STAFFS
AND
DIVISIONS

DETROIT

NEW
YORK

GM'S OVERSEAS
OPERATIONS

Figure 4. The Expansion of ISP Selection
(1970-1977)

The Manifestation of Ideological and Behavioral Conflict

During the Transition Period, international personnel managers, some of whom were now based in Detroit, needed to work closely with domestic managers to identify and select candidates for overseas duty. However, it did not appear that the domestic managers were particularly cooperative in this effort. Domestic managers seemed reluctant to recommend their most skilled and talented employees for overseas work. One individual stated,

> Why should they (the managers)? It is hard to separate the good engineers from an existing program that they are working on, particularly if it is a big important project. They (the managers) won't send their pride and joys...(When asked for candidates) they use it as an opportunity to clean out their organization.

According to ISP program administrators, the employees recommended by their managers for overseas duty were the ones that were expendable -- either they had reached a "plateau" or "dead end" in their domestic careers, or there were others with comparable skills at their work site. A New York program administrator remarked that when the domestic managers were approached for ISP candidates they would think, "Oh yeah, that little unit in New York ... Who do we want to get rid of?"

In addition to domestic managers' refusal to send forth their best personnel (contrasting with the GMOO/FDD effort to select the most highly qualified recruits for overseas duty), these domestic managers also did not want to accept returning ISPs on their staffs. Again, for the first time in GM's history, large numbers of technically-trained ISPs could not be accommodated within the overseas operations. There were now simply too many technically-trained ISPs to retain within the international enclave. Consequently, increasing numbers of ISPs had to return to the domestic car divisions and staff upon their repatriation to the U.S. (see Figure 5). Domestic managers, however, placed a low value on returning ISPs. One manager stated that the domestic managers looked upon the overseas assignment as a "touristic adventure." A program administrator commented that.

> For many years ... domestic managers have thought that taking an overseas assignment was like taking a vacation. Chevrolet was interested in making Chevrolet profitable. Someone would have taken

the ISP's job when he went overseas. we were provincial about it. This was one reason why repatriation was tough.

It became more clear that as more and more repatriated ISP's were assigned domestic positions, an increasingly negative image of the overseas assignment among domestic managers was evolving. These domestic managers had no history or value system which emphasized the importance of overseas work. The general perception was that high achieving, high quality GM employees from the domestic staff were not selected to go abroad. Instead, those who were expendable were sent overseas. These domestic managers appeared to be oriented towards the domestic operations exclusively and towards fairly traditional career lines such as engineering, computing, and finance. As such, they valued specialists, not generalists. ISPs, however, became "generalists" during their overseas duty in that they developed a general set of management skill. As one ISP stated.

> The type of people we need overseas -- the managing directors and GM reps over there -- were people good at dealing with governments, importation regulations, etc. They were personable people ... they had talents which were desirable ....

As generalists, ISPs were highly valued by the overseas operations. But, as far as the domestic managers were concerned, generalists were of little value. Indeed, some domestic managers indicated that the technical competence of returning ISPs was problematic because their specialist skills had not kept pace with the skills of their domestic counterparts in the domestic car division and staffs.

Thus, our reconstruction of the Transitional Period uncovered three key aspects of domestic managerial ideology and behavior which differed substantially from the ideology and behavior of the GMOO and the FDD managers. First, domestic managers selected ISPs on the basis of the employees' technical background and the degree to which they were "expendable" (verses selection on the basis of employees' interest in living and working abroad). Second, domestic managers did not value the skills of returning ISPs and, in fact, did not want expatriates in their organizations (versus the high value placed on experienced ISPs within GMOO and FDD). Third, underlying both of these patterns was the domestic managers' assumption that it was the *domestic* not the international operations, that were most significant to GM.
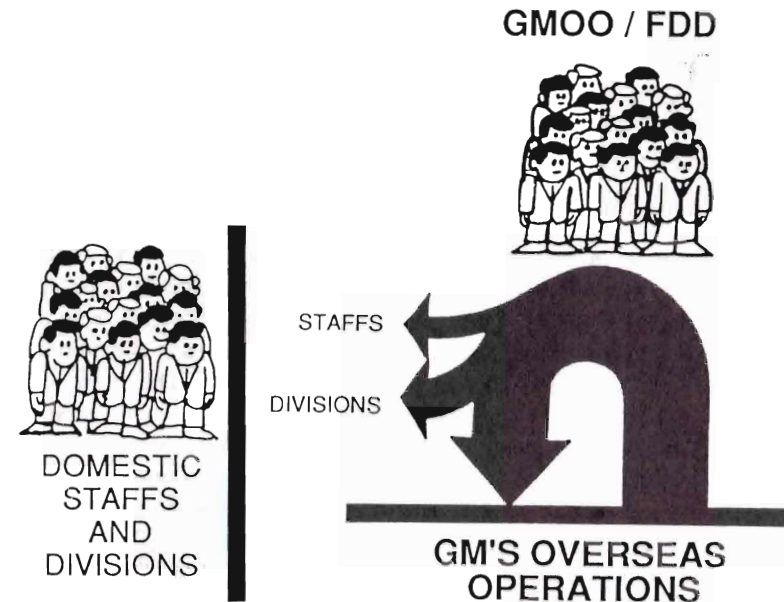
Figure 5. The Growth of Repatriation Options
(1970-1977)

Furthermore, the domestic managers seemed to believe that any upwardly mobile employee should concentrate on domestic, not international experiences. This last observation represents an inference that we drew on the basis of historical material pertinent to this period. This inference was supported not only by managers' recollections which suggested a pro-domestic bias within the company which provided much additional evidence that American managers focused almost exclusively on their home base.

It should be noted that the domestic managers' bias only became relevant to our research as a result of structural changes include the breakdown of organizational and geographic distance between international and domestic operations, and the new flow of domestic personnel into and out of the international enclave. The resulting reactions of domestic managers to these changes strongly suggested conflict within the managerial group. However, we were not able to fully confirm the possibility of conflict until we had reconstructed the third period of GM's international history (i.e., after 1977). It was only during this third period that the anti-international pattern revealed itself fully and international operation were brought even more completely within the sphere of domestics domination.

PHASE III: THE PERIOD OF UNEASY INTEGRATION (POST-1977)

Continuance of Competitive Pressure

In the late 1970s and early 1980s, GM continued to face intensive international competition in all of its markets -- particularly from th Japanese. Total world wide sales for GM dropped 34 percent, from 9,482,286 in 1978 to 6,244,458 in 1982. Sales in the U.S decline 41 percent from 6,878,119 to 4,042,464 during this same period, while overseas sales (excluding Canada) dropped 6.5 percent, from 1,751,260 to 1,637,401. (*GM Information Handbook* 1985-86:16-17). Gm continued to experience net losses in international sales and revenues from 1983 to 1985 (*Automotive News*, 1986:73). Such economic difficulties were critical motivators for carrying to completion these

organizational changes begun during the 1970s and for instituting other policy changes during the 1980s.

Policy Changes and Domestic Responses

In Phase III, yet another group appeared in the foreground as a visible and active participant in GM's business pertaining to the overseas activities. Although the executive tier of the organization had activated a series of organizational changes during the 1970s to improve its performance overseas, their actions seemed to have occurred quietly behind the scenes. There was now a qualitatively different emphasis and response by the company's top executives to a perceived personnel problem. In this third phase, we see the decisions of the top corporate officers identified, implemented and discussed by those currently or formerly associated with GM's overseas operations. Their decision recognized and were intended to address not only the continuing competition the GM was experiencing worldwide, but also the role and status of the overseas assignment in the context of an individual's career and the company's operations.

On the one hand, the executives were interested in encouraging high quality candidates to apply for and accept tours of duty abroad. On the other hand, they recognized the existence of and wanted to address the repatriation difficulties ISPs faced as they returned to domestic assignments. The executive group now began to intervene actively in the Culture clash between the former overseas operations' employees and GM's domestically-based staffs and divisions. This intervention took the form of continuing structural and policy changes aimed at the internationalization process at GM and enhancement of the ISP candidate pool. The executives anticipated that such changes would positively affect ISPs, the overseas activities, and the company generally.

Probably the most dramatic change, and most striking symbol of this period, was the final dissolution of GMOO and FDD in 1978. To encourage further the internationalization of GM, the company moved its remaining New York office functions to Detroit where they were integrated within the domestic staffs. Organizationally, the formerly "isolated" New York employees were now located in the same city, same building, and on the same staffs as the mainstream domestic

operations. In a similar way, the employees of the GMOO Detroit office were assigned to the other areas of the corporation. The principal organizational bastion of the pro-international subculture was now defunct.

In addition to this important structural change, a number of policy directives were issued which took aim at ISP recruitment and repatriation problems. First, GM executives identified the overseas assignment as an important step in the career progression of those interested in advancing to key positions within the career progression of those interested in advancing to key positions within the corporation . One 1979 GM document reported that the new ISP policies were intended to attract "high potential" employees,

> thus further improving the overall quality of our international management team as well as developing a group of executives who are better qualified to assume major corporate responsibilities based on their exposure to the world wide aspects of our business.

Such a statement was reinforced by a series of 1983 guidelines which encouraged the selection of high potential employees for managerial assignments overseas. The 1983 guidelines also were designed to facilitate the selection and repatriation of the ISP population. In particular, the guidelines suggested that ISPs either should receive a promotion prior to guidelines suggested that ISPs either should receive a promotion prior to departure or upon return to the U.S. when the assignment was completed (GM document 1983). Such changes in policy were indicative of an ideological shift at the corporate level.

As evidence of personal success and the movement of overseas assignments into the career mainstream, ISP candidates and some of their domestic managers singled out and affirmed high visibility role models among returning ISPs. Indeed, ISP candidates and some managers came to believe that the overseas assignment was an important means of progressing within the corporations. One ISP who left on an assignment in 1981 remarked,

> (One executive) was at Opel then. The corporation was pointing to the upper executives very carefully in emphasizing that overseas assignments would help your career. It seemed that there was some potential in taking an overseas assignment.

Another ISP stated, "A man ... who is now a VP ... was sent to Brazil and Mexico and perhaps some other places. These assignments seemed to have enhanced his career." Concurrently, the domestic managers held the same viewpoint. One manager commented, "Employees were told that they wouldn't get ahead unless they have overseas experience." One of the ISPs was told, "You won't get ahead if you don't go abroad." He subsequently told us, "They (management) felt that this was the coming trend."

A second intervention on the part of the executive tier involved changes in the responsibility for the career development of the American ISPs. While ISPs were associated with GMOO and FDD, guarantees of return employment (e.g., next overseas assignment) had not been a troubling issue. However, when the staffs and divisions were not necessarily open to placing returning ISPs, the executives established a policy which designated these domestic units as the ISPs' home units. ISPs returning stateside now were guaranteed return employment by their home units. Furthermore, the returning ISP had to be placed in a position equivalent to the one held prior to the overseas assignment (GM document 1979).

Third, top management instituted an improved ISP benefit package. The package consisted of a pre-departure cross-cultural training program, additional monies for language instruction, and a "look-see" trip to the new country of residence. These consideration, along with overseas premiums and allowances, tax protection, and annual home leave, relocation expenses, and provision of a company car were intended to attract higher quality candidates. In addition, the overseas assignment was shortened to about three years.

For those members of our sample who accepted assignments prior to Phase III, the assignment length averaged over 7 years. Many executives believed that such a long period abroad was contributing to the problem of placing expatriates upon their return home. Thus, unlike the career internationalists who took one international assignment after another for the course of their entire career, ISPs from domestic organizations were now forced to repatriate to the U.S. after a single three year assignment. While the three year policy was intended, in part, to help ISPs find return positions more easily, it ironically eliminated one potential avenue of escape from the problematic fate that awaited them upon return (i.e., it eliminated the possibility of them joining an international cadre on a permanent basis). Figure 6 shows the selection and repatriation process for ISPs during Phase III, in which

DOMESTIC STAFFS   DOMESTIC CAR DIVISIONS   CAREER INTERNATIONALISTS   DOMESTIC COMPONENT DIVISIONS

INTERNATIONAL PERSONNEL ADMINISTRATION STAFF

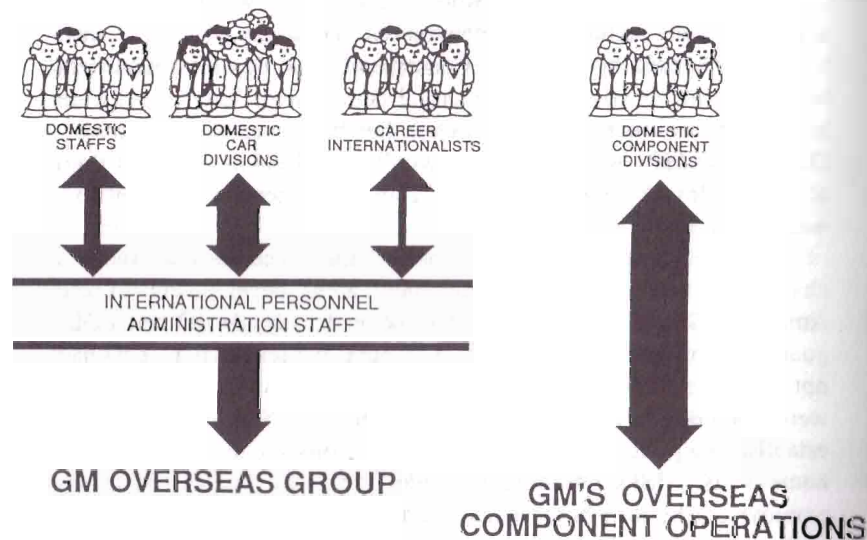GM OVERSEAS GROUP

GM'S OVERSEAS COMPONENT OPERATIONS

Figure 6. ISP Selection and Repatriation (Post 1977)

most expatriates returned to domestic staffs and car division were processed through the International Personnel Administration Staff; while overseas, they usually were affiliated with the GM Overseas Group. Component division ISPs, described later, were selected from and repatriated to their division's domestic organization.

Through the combination of policy directives and role modeling strategies described above, GM executives hoped to improve and expand the ISP candidate pool and help contribute to GM"s internationalization process. What the executives did, in effect, was to force their own emerging pro-international value system onto the domestic organization. The executives assumed that domestic managers would follow their lead, based on an appreciation of the growing importance of GM's international markets.

While some domestic managers did begin to change their view of the international assignment, others were not so easily convinced. We were told that they continued to identify and recommend ISP candidates whom they considered to be expendable to the domestic operations. One individual remarked, "We are still sending has beens and never was (types of employees)." Many domestic managers had career paths that were tightly linked to success within GM's domestic, not international, organization. Because the domestic staffs and car divisions had not international affiliates and no international activities, the direct relevance of overseas experience to their administration was questionable. Instead, the domestic managers' interests continued to be vested in doing well at home.

The enactment of the pro-international policy changes by the executives coincided with the systematic devaluation of returning ISPs by the domestic managers. The more ISPs returned to domestic operations, the more difficulties they seemed to face. Despite all of the policy changes directed at enhancing the overseas assignment, many returning ISPs still found that domestic managers were not enthusiastic about their return placement. In many cases, ISPs reported that they had lost contact with their former peers and superiors, that younger colleagues had been promoted to positions over them in their absence, and that they had suffered from "falling off the career path" in a particular professional area. Some returning ISPs who had received a promotion just before their departure overseas actually were demoted to the status they held previously -- further evidence of ISP devaluation.

These same ISPs also began to question the credibility of the executive tier which was viewed as not having delivered on its career mobility promises. Indeed, our historical data shows that the completion of an overseas assignment still was not linked to career success. One ISP who was sent overseas for a second time in 1980 stated, "For the last eight years GM has been saying, 'Go abroad. It will enhance your career' But your experience is not valued in practice. Once out of sight, out of mind." Another ISP who left the U.S. in 1980 reported, "It was believed that it was better for your career path if you stayed in the domestic divisions." An ISP who returned in 1987 pointed out,

> When I came back after eight years, no one knew me or knew what I could do. I almost went out of my mind for six months. I feel that I am at the same level as what I left eight years ago. Guys who were at my level then have gone ahead of me and I don't think they have done any more than I have ... I was taken out of the negotiating loop. This was my choice. A managing director's position was a step forward, I thought. But this was incorrect. The managing director's job is no longer the stepping stone to bigger things.

Furthermore, the views of these ISPs were corroborated by certain domestic managers, one of whom remarked,

> The overseas assignment may give you valuable experience but to date the philosophy that you need overseas experience to advance your career is not supported by top management. Both men you see over by the coffee machine were former ISPs. One has recently returned (to the U.S.). He keeps coming into my office and says, 'What am I going to do?' This man is competent. He is trying to elbow his way in.

Another discussed the 1979 policy change concerning guarantees of return employment. He said,

> What is happening is that the home units are abandoning their responsibility. {One division} talked to me about a potential ISP last week. They agreed to send the individual only if they didn't have to take him back upon his return to the U.S.

While comments such as these reflect the devaluation associated with ISPs, they are further confirmed by the apparent lack of

enforcement of two of the 1983 guidelines instituted by the executive group. First, the guidelines stated that only high potential candidates "with ability to reach key executive positions" should be selected for international managerial assignments. However, according to one program administrator, only 61 (2 percent) of the 3,093 individuals designated as "high potential" employees in 1985 had been earmarked for an overseas assignment between 1986-1991. Clearly, GM was not achieving its goal of selecting high potential employees for overseas managerial assignments. Second, with respect to an ISP's promotion prior to or following an overseas assignment, we were told by a program administrator that, "The spirit of the procedure was clear but the issue was its enforcement. These guidelines give too many exits." This individual then commented on the experiences of those ISPs who left on an assignment after these guidelines were established.

> About 10-15 percent of the returning ISPs come back with a demotion even though they have received excellent ratings overseas. This would mean, for example, that they would be an eighth level before they left, get a promotion to unclassified right before going, and come back as an eighth level. They are told that there is no place for them in an unclassified position.

Thus, we can see that the executive group was not effective in protecting ISPs or in enhancing the value of the overseas assignment to the corporation.

Elements of the Anti-International Pattern

The historical reconstruction of Phase III provided the additional evidence we needed to confirm our suspicion that an anti-international cultural pattern was emerging within GM's domestic organization in response to the integrative pressures. In their reaction to policy changes instituted by GM's top executives, domestic managers increasingly displayed behavior and beliefs that were logically consistent with a strong domestic bias, clashing sharply with many features of the pro-international subculture identified earlier. While some of the features of the anti-international pattern were fully developed in the Transition Period, others were only initiated during the transition and emerged in full form during Phase III.

We purposely refer to this cultural pattern as "anti-international" rather than "domestic." The domestic managers' ideology and behavior was expressed primarily as a reaction to those aspects of the overseas operation and overseas assignment that directly affected them and their staffs. Thus, the conceptual core of this emergent anti-international cultural pattern exists in the relationship or linkage between the overseas and domestic operations, rather than the domestic environment in and of itself. While we may postulate the existence of a larger "domestic" subculture which might encompass the anti-international behaviors and beliefs of domestic managers, such a larger subculture was not the focus of our study. We list the distinctive elements of the anti-international pattern below.

Dominance to the Domestic Agenda. Domestic managers clearly were oriented to the needs and priorities of GM's North American operation, even when making decisions that affected GM's international organization. They put domestic needs ahead of international issues, basing ISP selection on their perception of what was best for the home organization rather than either the international organization of the entire corporation. As a symbolic reflection of domestic dominance, the center of ISP personnel administration was now in Detroit, which simultaneously continued to serve as headquarters for the domestic staffs and many domestic divisions.

Upward Mobility Based on Domestic Achievement. Along with their focus on domestic operations, domestic managers believed that their own career mobility and that of their employees, should be based on contributions to North American operations. Those going abroad were not viewed as serious contenders for higher corporate status and mobility, but as potential dilettantes who sought participation in a "touristic adventure." When asked to select personnel for international assignments, the domestic managers used that opportunity to "clean out" their organizations, leaving at home those individuals who would be most helpful to domestic advancement.

ISP Skills Not Recognized or Valued. The international and generalistic skills of returning ISP's had no perceived tangible value within the domestic organization. Domestic managers had no practical reason to seek advice and counsel on international matters, since they had virtually no involvement in any international activities.

Furthermore, they did not appreciate generalists skills but rather the skills of the technical specialists. Consequently, it was the specialists who continued to hone their skills on home turf, rather than the returning ISP generalists, who were rewarded.

Stigma on Expatriates. Because ISPs were selected, in part, on the grounds of "expendability," they carried a stigma when they returned home. Domestic managers assumed that these were the employees who were considered less competent than their peers prior to their overseas assignment, and even less competent upon their return to the U.S. as a result of having been abroad.

Career Stagnation for ISPs. The domestic managers' views of ISPs and their low evaluation of international experience meant that ISP careers often did not advance after their return stateside. Many ISPs were not placed in positions that allowed upward mobility; others were demoted following repatriation.

This distinctive set of features forms a logically consistent group of behaviors and beliefs. While this pattern is not the mirror image of that found in GMOO and FDD, and while it certainly does not represent a full domestic subculture, it has a set of distinguishing characteristics which define a fairly broad range of behavior and ideology. At the very least, this anti-international patter may be conceptualized as the international dimension of a domestic subculture which undoubtedly involves a fuller complement of characteristics than we have identified here.

Ironically, some of the policy changes instituted by GM's top executives may have stimulated resistance from the domestic managers and contributed to the growth and development of the anti-international pattern. It is possible that a deviation-amplifying feedback loop emerged between the behavior of the top executives and the domestic managers. As the domestic managers reacted negatively towards the integration of international and domestic operations, the executives responded by enacting policy changes aimed at solving a group of specific symptomatic problems facing ISPs. One effect of these policy changes was to force increasing numbers of ISPs to be recruited from and returned to the very organizations that had least to do with international operations. Managers of these domestic organizations, in turn, appear to have responded by stiffening their resistance to the returning ISPs. As a result, the devaluation of ISPs continued, serving

only to heighten the problems of ISP recruitment and repatriation. Unfortunately, the executives did not seem to be aware of the underlying structural and ideological conditions associated with the ISP's problems. Even those policies that might have reversed the trend toward ISP devaluation (e.g., selection of high potential ISP candidates) were not consistently enforced and thereby failed to ameliorate the organizational conflict.

The Reemergence of the Pro-International Pattern

During Phase III, we noticed that not all ISPs reported negative repatriation experiences. Indeed, some indicated that they were able to use the knowledge and skills acquired abroad in their return assignments. As we attempted to understand what accounted for the variation in ISP repatriation experiences, we continued discussions and interviews with ISP program administrators and GM domestic managers who had participated in overseas assignments during their careers. We were told repeatedly that ISPs selected from and repatriated to the component division ISPs encountered positive reentry experienced and that the number of components division ISPs were rapidly increasing[7] (see Figure 6). Home units in the component divisions apparently planned for the return of their ISPs and typically placed them in positions which utilized their newly acquired managerial, entrepreneurial, negotiating, and cultural skills.

We knew from our historical reconstruction that one of the policy changes instituted during the Transition Period involved the component operations. The domestic component division had been placed in charge of the overseas component plants. Their headquarters were located in the U.S. but their personnel and operations were integrated with the overseas units which assembled or manufactured components. From our historical data, we were able to recognize that the component divisions exhibited an organizational structure similar to the structure of the former GMOO and FDD divisions (i.e., structural autonomy, linkage of domestic and overseas operations, and circulation of ISPs within a closed system). Furthermore, it appeared that component division managers shared some of the pro-international ideology of GMOO and FDD (i.e., high value placed on the international skills of returning ISPs).

Even though we did not have a full understanding of the component divisions since we had not focused on reconstructing their history specifically, we suspected that their organizational culture might be similar to that of GMOO and FDD because of similarities in structure, ideology, and behavior. If our suspicious were correct, it was possible that the current variation in repatriation experiences might be explained by differences in the return units. Perhaps the ISPs reporting positive repatriation experiences were the ones associated with the component divisions. Unfortunately, none of the ISPs in our sample had left from or repatriated to any of GM's component divisions. Consequently, we were unable to confirm our suspicion at that time. However, recognition of the pro-international pattern within the component divisions did alert us to the fact that modern day GM units might display the form of ISP selection and repatriation once associated with GMOO and FDD. Thus, we went forward from our historical reconstruction armed with the conceptual tools we needed to make an important future discovery.

SOLVING THE MYSTERY: THE DISCOVERY OF COUPLED AND DECOUPLED SYSTEMS

As we thought about the parallels uniting GMOO, FDD, and the component divisions, we began to conceptualize a structural model which captured the substance of these organizations' similarities and could be generalized to other GM units beyond those whose histories we had reconstructed. This structural model can be described as a closed loop or a coupled system (see Figure 7). Coupled systems have both international and domestic operations. GMOO, FDD, and the component systems are organized in a way that allows ISPs to go abroad and repatriate without ever leaving their home organization. Administratively, these ISPs remain on their organization's headcount regardless of their geographic location. The coupling of international and domestic operations within a closed loop system helps to explain the shared ideology of such organizations which place a high value on the international dimension, the knowledge of returning ISPs is relevant to the management and operations of the system.

Conversely, the domestic car divisions and many domestic staffs we studied represent an opposite pattern which may be described as an open loop or decoupled system (see Figure 8). In this system, domestic
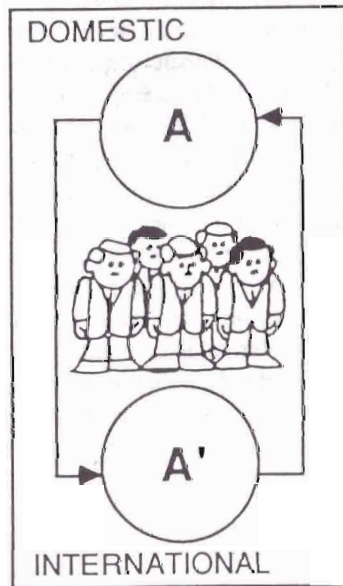
A   Domestic organization
A' International subunit of domestically-based organization
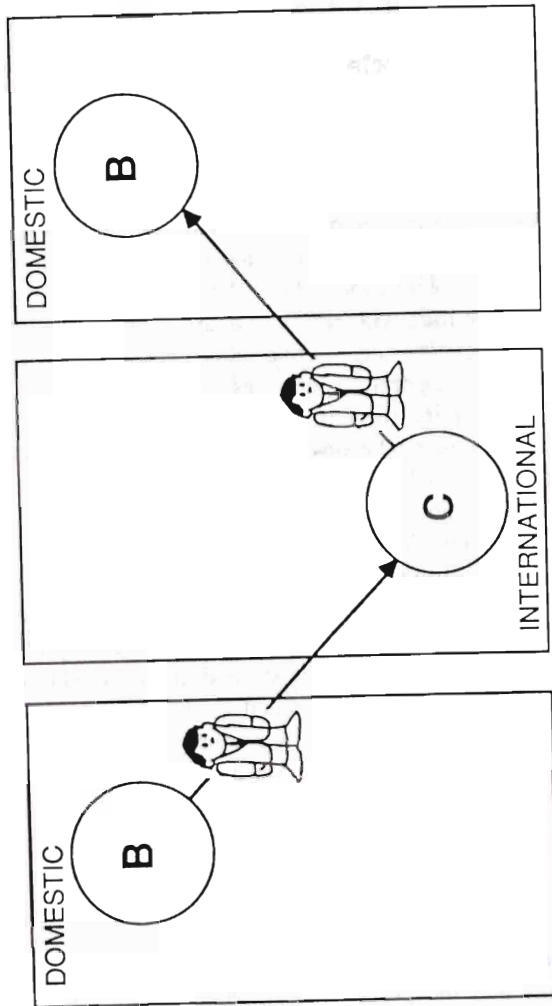
Figure 7. The Coupled System Model

organizations have no link to any international activities. To go overseas, an ISP must leave the home organization, work in an unrelated overseas division, and then cross back to some domestic organization upon repatriation. Clearly, the anti-international ideology of the domestic managers, which renders international experience irrelevant within the domestic framework, is consistent with a decoupled structure.

The conceptualization of the pro- and anti-international patterns as coupled and decoupled systems respectively, enabled us to create a more general hypothesis to explain repatriation variability. This new general hypothesis stated that ISPs who *return* to coupled systems will have positive repatriation experiences, while those repatriating to decoupled systems will share negative experiences. Significantly, this new hypothesis does not require ISPs to originate from a coupled system. The unit of repatriation is the one that determines the nature of the repatriation experience. Also, our general hypothesis suggests that *any* coupled organization, not just the component divisions, should foster positive experienced following repatriation.

The features of this general hypothesis allowed a preliminary test based on our ISP data set since every member of our initial sample of 15 ISPs could be categorized as having participated in either a coupled or decoupled system. As we discuss in Briody and Baba (1991), a preliminary test of the general hypothesis provided support for our idea that whether or not an ISP participates in a coupled or decoupled system explains a substantial amount of the variation in repatriation experiences (p. 10).

IMPLICATIONS OF THE STUDY

Our reconstruction of the history of GM's international organization provides several insights into the process by which cultural patterns and/or subcultures emerge and evolve within a complex organization. First, we see that cultural patterns represent organizational responses to specific historical and material conditions and that their fortune and lifespan are closely tied to changes within their material contexts. Both GMOO and FDD emerged during a period of domestic and overseas market expansion. They met their demise as a result of increasing international competition both at home and abroad. So long as both

B   Domestic organization with no international subunits
C   International organization with no domestic subunits

Figure 8. The Decoupled Systems Model

domestic and overseas markets were growing, the pro-international subculture was able to maintain its own niche, co-existing peacefully with the domestic organization and developing a distinctive idealogy well suited to niche requirements. However, when markets contracted, the niche of GMOO and FDD was folded into the larger territory of a pre-existing organizational domain (i.e., the domestic staffs and car divisions), resulting in a clash over organizational priorities.

Second, we find that culture patterns operate as separate entities and are not easily integrated by policy change, particularly when such patterns continue to be grounded in distinctive material and structural contexts. In fact, forced contact between different organizational forms actually may stimulate the manifestation and sharpening of further differences between them that had been largely latent prior to contact. The anti-international ideology of the domestic managers remained unexpressed for the most part until environmental and subsequent policy and organizational change thrust pro-international functions and values upon them. These managers reacted to the invasion of their space by using their own agenda, refusing to expand their horizons beyond their structurally-grounded home base. It is clear that the efforts of top executives to ameliorate the culture clash were not effective, largely because they were not directed at the critical cultural problem facing GM: the differential focus and structure of GM's domestically-oriented and internationally-oriented units. Because this underlying problem was not addressed, policy changes aimed at enhancing the ISP candidate pool amounted to "tinkering" with the system without a clear understanding of the fundamental nature of that system (Deming 1982). As a result, the relationship between the two cultural patterns we described continued to fester, leading to a worsening rather than a improvement in the situation.

Third, we see that cultural patterns may vary in their degree of influence and status within an organization. While the tradition of the pro-international subculture at GM extends back to 1911, it has never been perceived as mainstream or pivotal to GM's operations. Indeed, for decades, the domestically-based arm of the company has been the primary power and profit center. Material conditions, particularly the huge size and economic success once associated with domestic markets, played an important role in establishing a system of ranking. The pro-international domain appears to have been assigned a lower status relative to the anti-international sphere; in its formative decades, GM's international markets simply were not as important as the domestic

market.   While status differentials between units associated with different cultural patterns have important implications for factors such as resource access, budget flexibility, and personnel expertise, they also play a role in career mobility. As employees selected to be ISPs cross organizational boundaries, their passage from the high status cultural domain (anti-international) to the low status cultural domain (pro-international) is comparatively easy; the reverse pathway (i.e., low to high status) is much more difficult. Indeed, with a few exceptions, it may be optimal for an employee's career progression to affiliate solely with one such domain during his/her tenure with an organization.

Fourth, our historical reconstruction elaborates and extends Stinchcombe's (1965) work on the persistence of organization forms. In this case, we document the persistence of cultural patterns within a corporation. Both the pro- and anti-international patterns continued to exist within GM despite the efforts of top executive to reorganize, integrate, and otherwise influence corporate direction and operation. The pro-international pattern did not disappear with the dismantling of GMOO and FDD. Instead, it reappeared in other units (e.g., the component divisions) that were organized around a coupled systems template.   Likewise, the anti-international pattern refused to die. Instead, it may have been strengthened by the very policy-related efforts that were intended to weaken it. These two forms of persistence have different causes and may have very different consequences for GM's adaptation to environmental change.

In the case of coupled systems, executive-level policy change enabled persistence of an older cultural form through structural reorganization (e.g., the creation of component divisions which operated internationally).   Such persistence may be viewed as positive in an adaptive sense since it supports GM's objective to internationalize the company.   However, in the case of decoupled systems, we see a negative or maladaptive form of persistence, as domestic managers continue to further their own agenda at the peril of the larger corporation.   The persistence of the anti-international form may be viewed as a form of structural and ideological lag in which the status quo hangs onto its old response patterns long after such responses have outlived their usefulness. The executives also play a role here in that they have permitted the continuing structural isolation of the domestic staffs and car divisions which underpins the domestic managers' anti-international ideology. Thus, our study has begun to illuminate some of the forces underlying cultural persistence including environmental

shifts (i.e., new market conditions made useful the old pro-international pattern), structural conditions (i.e., the administrative isolation of domestic managers precluded their interest in international affairs, and ideological traditions which cross generations of employees at all classification levels.

Finally, our study has highlighted the need for multiple sources of data in historical reconstruction. It would have been impossible to trace the path of GM's international evolution and the cultural consequences of this evolution without access to a range of different historical records.   Of particular value was the triangulation of archival records and oral histories, a process which enabled the combination of complementary types of data, while simultaneously providing a built-in check on the historical accuracy of individual data items.

In conclusion, we reiterate our recommendation of the historical method as a tool of great power in the description and explanation of cultural phenomena in organizations.   This method enable the conceptualization of structural and ideological forms and allows the tracing of their evolution over time. It is through the comparison of these evolving forms that our understanding of cultural process and cultural change in organizations is strengthened.

NOTES

1.   A subculture is a "pattern that is in significant respects distinctive but that has important continuities with a host or dominant culture" (Broom and Selznick 1973).

2.   During Phase I, ISPs were known as HOSPs -- Home Office Status Personnel.

3.   While many new hires were American born and had a strong interest in working and living abroad, others were foreign born, often schooled or trained in the U.S. The latter were particularly useful to the overseas operations because of their familiarity with other cultures and business practices.

4.   By the late 1970s, some female employees accepted overseas assignments as ISPs. In 1987, for example, four of the 472 ISPs overseas were females.

5.   Because we did not have aggregate data from the end of the Transition Period, we cited data from 1982, the first year in which this data was available.

6.   GM began to recruit another source of ISP candidates from non-domestic operations to fill managerial and technical positions around the world. These ISPs were referred to as ISP-OS (overseas) in contrast to those who originated in the U.S., or ISP-US (*Annual Report* 1974:7). Reducing the proportion of American ISPs assigned to overseas duty, along with increasing the number of ISP-OS and local national employees, were viewed no only as responses to rising nationalism and as mechanisms to assist in GM's internationalization process, but also as means of cutting costs associated with overseas assignments.

7.   During Phase II, the number of ISPs leaving from component divisions increased relative to those form car divisions. In 1982, 836 (29 percent) of the ISPs worldwide had home units in component divisions. By 1987, 472 (54 percent) of all ISPs overseas that year left from component divisions (personal communication with a GM administrator 1987).

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