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Human Resource Management Practices and Institutional Bricolage at Nordic-owned Factories in Russia †

Markku SIPPOLA *

* *University of Tampere, Finland; Markku.Sippola@uta.fi*

Abstract: The objective of this study is to explore human resource policies at seven Nordic-owned factories in Russia and how the concept of 'institutional bricolage', which assumes a certain kind of path-dependency, fits within the perceived human resource management (HRM) practices. The data for this study uses 60 interviews with workers, managers, and representatives of company trade unions at these factories. The uses of traditional (Soviet) and modern (Nordic/contemporary Russian), informal and formal HRM practices were tracked at these factories. The bricoleurs (the ones who put forward 'institutional bricolage') are typically managers, who skilfully combine the old and new practices with unofficial values, customs and norms. The results suggest that while certain traditional practices are favoured by the management, other 'modern' ones are neglected.

Keywords: human resource management, institutional bricolage, multinational companies, path-dependency, Russia

JEL Classification Numbers: L23, M12, M14, M16, P31

1. Introduction

The objective of this study is to explore human resource policies at Nordic-owned factories in Russia and how the concept of 'institutional bricolage', which assumes a certain kind of path-dependency, fits within the perceived human resource management (HRM) practices. There are some studies about the permanence of the Soviet-type HRM practices in Russia (e.g. Horie, 2014; Yadov, 2004), as well as accounts of how Russian HRM has been able to adapt features of the Western HRM practices (e.g. Buchko, 1998; Fey and Denison, 2003). However, one might argue that the concept of path-dependency cannot exhaustively describe the complex nature of the post-socialist way of managing human resources under various intrinsic and extrinsic influences. In connection with foreign investment, the tension between the pressures from 'inside' (the old) and 'outside' (the new) is even more pronounced. Therefore, empirical evidence is required for foreign companies in Russia in the light of institutional change. This study seeks to bridge this gap.

This study seeks to investigate human resource policies from a sociological perspective, and thus contribute to institutionalist sociology, which goes beyond a thin account of rationality towards an interest in the idea of context-bound rationality (Nee and Brinton, 1998, xix). HRM practices are anchored to the social relations and social context of the workplace. Clarke (2014) argues that the

collapse of the Soviet system had no immediate effect on the social relations within the Russian enterprise, although there was a profound change in the environment the enterprises functioned. The social embeddedness is observed in the permanence of management practices, where many features of the management systems and structures appropriate to the Soviet context have remained in place (ibid.).

During the Soviet era, the personnel department of an enterprise did not have any particular HR function besides that of maintaining personnel records. Usually, personnel management issues were addressed by line managers and production managers (Clarke, 2014). The negligence of developing human resources is still prevailing in many post-Soviet enterprises. Clarke and his colleagues found that there were two main functions of personnel management in the enterprises: first, to recruit and retain the labour force through the retention of experienced, skilled and loyal staff, and second, to ensure the effective utilisation of labour by maintaining high levels of motivation. Although the present study looks into the HRM practices of the firms, it will not deal with the function of recruitment; rather, it will relatively emphasise on the practices aimed at the retention and motivation of human resources. The list of the 'official' HRM tasks to be considered here is not comprehensive. However, it covers a wide range of HR functions: pay and incentives, suggestion schemes, developmental talks, job security, work-family policies and industrial relations.

2. Bricolage, the bricoleur and institutional bricolage

'Bricolage' is a French term that stands for 'do-it-yourself projects'. The concept has largely appeared in scholarly use through Claude Lévi-Strauss (1967), denoting how societies create novel solutions by using resources that already exist in the collective social consciousness. This kind of thinking is often in contrast to that of engineers (Lanzara, 1998), engineers' thinking would assume well-defined demands for a project and which proceeds from goals to means. In other words, the bricoleur (the one who performs the act of bricolage) albeit guided by an essentially 'practical' logic, personifies the separation between rationality and intentionality (Leccardi, 2005). The bricoleur in the present study is typically an HR manager or production manager who is in charge of major part of the personnel functions. Although managers are those who set the stage for the HR function via introducing formal practices, workers can also act as bricoleurs with regard to informal practices; by so doing, the workers employ their tacit knowledge derived from their experiences, while the managers need to consider workers' opinions concerning human resource policies.

Baker and Nelson (2005) have reviewed the literature on the use of the concept of bricolage and have distinguished three slightly differing usages of the term: 'making do', 'the resources at hand', and 'combination of resources for new purposes'. While 'making do' implies a bias towards action and active engagement with problems and opportunities, 'the resources at hand' approach emphasises the scarcity of resources that are available for bricoleurs at a given moment, which sometimes implies creation of something from nothing. The notion of 'combination of resources for new purposes', for its

part, grasps the unexpected nature of the change in the use of symbols, concepts and resources and constitutes the core of the whole concept of bricolage, which is to recombine existing elements rather than to fabricate them from scratch (Baker and Nelson, 2005). The last approach is shown in Lévi-Strauss's (1967) original text The Savage Mind, in which Neolithic tribes adopted the symbols of neighbouring and earlier tribes, but combined them in new ways to represent new meanings.

The term 'bricolage' is increasingly used in management and organisation literature (Perkmann and Spicer, 2014), for example in connection with studies on entrepreneurship (Baker et al., 2003; Baker and Nelson, 2005), knowledge creation in organisations (Duymedijan and Rüling, 2010; Bechky and Okhuysen, 2011) and innovation (Garud and Karnoe, 2003; Halme et al., 2012). However, the use of 'bricolage' in relation to HRM practices is non-existing, which underscores the importance of the present study to become a pioneering one in the HRM literature.

The notion of 'institutional bricolage' is not new. However, in this study, it is largely based on Frances Cleaver's (2001) accounts of how people consciously and unconsciously rely on existing social and cultural arrangements to shape institutions in response to changing situations. Therefore, institutional change is perceived as a path-dependent historical process; however, it is also recognised that the old concepts and practices are being used in unexpected and creative ways. The result of the event of institutional bricolage is thus a mixture of 'modern' and traditional, formal and informal.

In his criticisms on the use of the term 'transition' in place of 'transformations' in connection with institutional change in the Central and Eastern European countries in the 1990s, David Stark (1992) also emphasises the notion of bricolage. At the event of the change of the economic system from a socialist to a capitalist one, actors faced new uncertainties by improvising on practiced routines, where '…the new does not come from the new – or from nothing – but from reshaping existing resources'(p. 301). According to Stark, these resources included organisational forms (which were likely to migrate across domains), habituated practices and social ties, whether official or informal. The subsequent section discusses the distinction between the formal and informal practices.

3. Formal and informal institutions

Institutions are dynamic by nature and are based on social interaction between individuals (Nee and Ingram, 1998: 24). What is more, cognitive processes and cultural beliefs embedded in institutions reflect actors' perceptions of self-interest (ibid.: 30). Thus, comprehending the cognitive processes and beliefs associated with HRM at the Nordic subsidiaries might potentially be the key to grasping the 'hidden agenda' in terms of personnel policy of the Nordic headquarters, based on the 'self-interest' of these corporations.

Typically, the state and corporations create and maintain formal institutions. These institutions imply explicit rules that rely on formal mechanisms, provided by the state and organisations, for their monitoring and enforcement (Nee and Ingram, 1998: 19). Informal norms, for their part, are 'rules of a

group or community that may or may not be explicitly stated and that rely on informal mechanisms of monitoring, such as social approval and disapproval' (ibid.). There is a certain interconnectedness between formal practices and informal norms: organisational rules typically constrain groups, whereas informal norms set constraints for group members (ibid.: 32).

Nee and Ingram (1998) argue that an effective coupling of informal institutions with official practices is the key for superior organisational performance (Nee and Ingram, 1998: 34). Furthermore, Pejovich (1999) stresses the interaction between formal and informal rules. There is a pitfall of defining institutions as constraints to the implementation of formal rules, as North (1990) does. North's advocates have a rather critical view of informal rules, and they often regard those in a negative light, as a 'legacy of the past' (Chavange, 2008). However, informal institutions are a source of opportunity, with or without their relationship with the formal ones. On his part, Winiecki (2000) views informal rules as hindrances to implement formal rules on the one hand, and buffers against the negative effects of formal rules on the other.

Drawing upon his research on construction labour markets in Egypt, Assaad (1993) concludes that the exclusive focus on formal institutions is inadequate for understanding how the labour market functions and that labour markets can be highly structured even in the absence of formal regulation. He also emphasises the importance of the bonds of group solidarity as well as the culture and norms that are internalised by group members. Grzymala-Busse (2010) maintains that in the post-communist state development, informal institutions can reinforce, replace or undermine formal institutions irrespective of the latter's strength. According to her, in transitional settings, dichotomizing between official and unofficial institutions is difficult, because many formal institutions are in a flux and the effectiveness and emergence of formal institutions is endogenous to the informal institutions themselves.

Chavange (2008) recognises the difficulty of the 'transition' scholars to find any healthy combination of informal and formal practices explaining institutional change. He calls for a better understanding of the differential change in formal and informal institutions in the context of transformation of economies and societies. He admits that '[c]ontext dependence and historical specificity lead to a great variety of configurations of the relationship between formal and informal rule changes'. The concept of 'institutional bricolage', we argue, has significant potential for gaining understanding of the diverse processes between the two types of institutions.

4. Traditional Soviet management versus contemporary Nordic/Russian management

There are various accounts of the Soviet management style, such as the 'management sovieticus' of Liuhto (1993). However, Liuhto's characterisation of Soviet management draws on practical points of view rather than the underlying values, beliefs and practices underpinning the Soviet model. For this purpose, Clarke's (2004) definition of 'authoritarian paternalist style' typical of Soviet enterprises is more definitive. It assesses the nature of the relationship between the management and subordinates as

well as the delegation of responsibilities. According to Clarke (2004), the authoritarian paternalist style cultivated at Soviet enterprises was based on absolute authority of the director and rigidly hierarchical and formalised structures in the enterprise. In practice, however, the rigid structures were surpassed and even replaced by informal negotiations for the assignment of tasks and responsibilities. The management of production was given preference over other services, such as financial, personnel and supply services. Production itself was strongly emphasised through the skills and commitment of the so-called kadrovye (core) workers. Moreover, the responsibility for the achievement of production tasks was delegated downward and to shop chiefs, foremen, and workers themselves. To maintain control over the shop floor and ensure the achievement of targets, the management imposed a system of punishments and rewards, including Taylorist piece-rate systems (Clarke, 2004).

In contrast with the 'traditional' Soviet-style authoritarian paternalistic management, the Nordic way of managing human resources is democratic and participative by nature. This is observed in the positions of three Nordic countries—Denmark, Finland and Sweden—along the Global Culturally Endorsed Implicit Leadership (CLT) dimensions (Dorfman et al., 2004: 690), according to which an effective Nordic leadership style exhibits high levels of charismatic or value-based leadership, team-oriented leadership and a considerable level of participative leadership. While the Soviet system was characterised by 'welfare participation' (employee participation in decision-making concerns mainly welfare issues), the Nordic form of 'incorporation participation' implies firm strategy that involves representative structures (Sippola, 2012). Nordic employers seemingly accept communication with trade unions as long as it does not pose a threat to managerial autonomy (Rogaczewska et al., 2004: 248).

What is more, Nordic managers have a more intense employee orientation and they allow for more conflict oriented atmosphere at the enterprise than their Latin-European counterparts (Lindell and Arvonen, 1996: 80). This might be an indication of the Nordic industrial relations tradition in which conflict prevails, but is institutionalised (Kettunen, 2001). Moreover, Northern European firms have successfully integrated HRM with collective bargaining (Brewster and Larsen, 2000: 31). There is a marked increase in performance-related pay in the Nordic labour process, although the role of unions in determining it has remained quite strong (Lindeberg et al., 2004: 298; Rogaczewska et al., 2004: 275).

5. Data and method

The data for this study uses 60 interviews with workers, managers, and representatives of company trade unions at Nordic manufacturing companies in Russia. The research strategy was that of a case study: it involved seven plants, the headquarters of which were located in Denmark, Finland, Norway, and Sweden (see Table 1). The names of the companies, countries of origin and exact locations are not mentioned because of confidentiality issues. The data was collected between 2011 and 2013.

The interviews consisted of semi-structured interviews with workers and thematic interviews with

managers and union representatives. Altogether, there were 43 workers', 13 managers' and 4 shop stewards' interviews. Questions for all these respondents concerned investment motives and history, trade unions, employee information, consultation and participation, worker representation, changes in work organisation, job characteristics and Soviet legacies. The interviews with the workers ranged from 20 minutes to 1 hour, and those with the managers and shop stewards from 45 minutes to 1 hour and 30 minutes.

Table 1. Basic information of the researched factories

Firm	**Derevo**	**Himstroy**	**Stroy-material**	**Provod**	**Agro-tehnika**	**Mashina**	**Stal**
location	200km south of St. Peter-burg	St. Peter-burg	Moscow region	Karelian Re-public, close to Finnish border	400km south of Moscow	St. Peter-burg	Moscow region
sector	wood	constr. material	constr. material	light metals	metal	metal	metal
market	Europe	local	local	Europe	FSU	local	local
size	600	850 (2 units)	500	900	40	70	70
Entry mode	take-over	green-field / take-over	brown-field	brown-field	brown-field	brown-field	brown-field

6. Institutional bricolage in practice: the unofficial institutions (social norms, habits and conventions)

There were sentiments among the interviewed workers and managers who were supportive— if not nostalgic—of the Soviet way of management. For example, to the question whether there is any 'modern' Nordic way of organising work at the factory, the production manager at Stal replied:

> 'It's another production culture than it was in the most of Soviet factories. Because, I, for six years, I was working in a so-called Soviet factory. But it was not a bad factory, it was I would say a military plant, a closed military factory. And I would say the production culture and the type of processes and standardization was much, much better than at Stal even now'.

It seemed, therefore, obvious that the interviewed workers and managers wished to come to terms

with both Soviet past and today's reality. According to the HR manager of Stal, there is a problem in the prestige of blue-collar jobs in contemporary Russia, which should be restored by the revitalisation of Soviet values. The restoration of the legitimacy of the traditional occupational roles would help in the current crisis in Russia, since 'in Soviet time, if you were a highly skilled worker, then you were respected, and you worked at a factory for example, then it was a respectable job'. In the Soviet production model, the workers were invested with perhaps a wider range of skills than their Western colleagues.

The Soviet economy of deficit and workers' ability to adapt to it was perhaps in mind of a master at Agrotehnika, as he explained: 'Well, if there was a deficit of something, […] you were supposed to find means for the solution [by yourself], [„] We were capable of working under varying conditions. It's a plus, and this feature should be utilized'. He claimed that at Agrotehnika, this kind of multi-skilling and high flexibility of the workers is already in use. This view received support from Agrotehnika's managing director, who argued: 'Much of what you see has been made by the hands of our own personnel. Our peculiarity is the small number of personnel. We managed to change the productive attitude a bit, to bring it [closer] to the western way'. The director, however, does not recognise that such multi-skilling of workers originates in Soviet production principles, not western ideas. In other words, although unconsciously drawing upon traditional models, he is able to apply them creatively in new circumstances. The framing of the action as 'western' indicates that he has found an innovative way of reconciling traditional and modern practices of management.

There is no engineered 'best practice' solution to fix organisational problems; here lies the greatest potential of institutional bricolage as a management tool, as it uses old concepts and ideas in new and creative ways. Creativity is needed for reconciling the Soviet past and the Nordic management models. One such bridging idea was the sense of easy-goingness, as confirmed by middle managers of both Stal and Stroymaterial. The HR manager at Stal claimed that straightforward means of communication is, in fact, a feature of both Russians and Scandinavians. The chief accountant at Stroymaterial maintained that a downright way of communication has remained until today at the factory. She received a promotion after the acquisition of the company by Scandinavians in 1998; however, she continued to regard the relationships between colleagues, supervisors and the rank-and-file as unofficial and friendly. One blue-collar worker at this company also reported about 'friendly' relationships in the working collective. She was unable to figure out whether the extraordinary working environment originates in Russia or any Western country.

Although the traditional Soviet communication culture—with its rigid hierarchies and formalized structures (Clarke, 2004)—cannot be characterised as easy-going, the tendency is toward lower power distance in the Russian society (Naumov and Puffer, 2000). The managing director at Agrotehnika has skilfully gained this momentum, as he calls for lower hierarchies in work organisation. He has applied the idea of low hierarchies in his own organisation: 'We have no partitions, we are all open. And we always discuss matters openly. Our enterprise is completely open'. Both the interviewed workers and

the HR manager of the factory support this view. The same openness is underscored at another small plant in this case study, Mashina, in which—according to a team leader—the managing director is always ready to answer questions posed by workers, which the team leader himself or another supervisor cannot answer.

Moreover, the managing director at Mashina was pondering an ideal institutional mix for which he was in need of support from the workers: 'I think it's really important for us to get them on our side and to have a conversation with them. We have found out that this is good enough, it's a good system, but it's not against the way we are working in Scandinavia. So somehow, this is a good mix'. Reconciling the local and Scandinavian concepts and practices was important for the realisation of the continuous improvement scheme employed at the factory.

Here we come to the core idea of bricolage: recombination of new ideas, concepts, and practices out of existing elements rather than fabricating them from scratch (Baker and Nelson, 2005). Against this backdrop, one can make out a case for the fact that Stal's HR manager was a true bricoleur. She did not start from scratch, but acknowledged the premises of the Soviet work organisation in building new organisational identities. She claimed that any person over 35 years and raised in the Soviet Union shares a common Soviet mentality, the crux of which is:

> '…being loyal to your employer, being responsible. Being able to go extra mile, if it's necessary. Being a team person, because in Soviet, I think in Soviet culture […] it's common to work as a team, and it's common to do some, being kind of involved in the process, not for the sake of money'.

A team leader at the larger unit of Himstroy provided an analogous definition of Soviet mentality, pointing out flexible occupational roles and work schedules while simultaneously emphasising Soviet worker's ability to throw oneself to intensive work for the sake of achieving the target. By combining the best features of the old and the new regimes, institutional bricolage can provoke, at its best, a virtuous circle of mutual cultural learning.

On the one hand, these examples reflect the desire of the managers to rely on the reproduction of the traditional Soviet work ethics to ensure commitment, motivation and loyalty of the labour force (see Clarke, 2014). However, these examples should be understood in a contemporary societal context as an attempt by the management to modernise human resource policies by combining them with 'borrowed' best practices. Such a combination of official and unofficial, traditional and modern, Russian and Nordic practices of communication and human resource management at Nordic-owned factories in Russia prerequisites the leakage of meaning from one context to another along formal similarities (Douglas, 1973). At the same time, the repeated use of symbolic meanings in the construction of institutions allows for economising on cognitive energy and offering easy classification and legitimacy, as Douglas (1987: 76) has noted. Douglas uses the term 'intellectual bricolage' in this connection, which is closely

associated with institutional bricolage, that is, gathering and applying analogies and styles of thought that are already part of existing institutions (Cleaver, 2001).

7. Official institutions

In the previous section, we addressed informal institutions, where we found traces of institutional bricolage. In the following sub-sections, official institutions that manifest themselves in the form of various HRM practices (pay and incentives, suggestion schemes, developmental talks, job security, work-family policies and industrial relations) are scrutinized in the light of institutional bricolage. In the end of these sub-sections, the uses of traditional and modern, formal and informal at the researched factories are summarised.

7.1. Pay and incentives

The payment method is an important indicator of the prevalence of Soviet management practices; for ensuring the achievement of production goals, the Soviet management had to impose a system of punishments and rewards associated with Taylorist piece-rate systems (Clarke, 2004). Although workers in the Soviet system enjoyed a relatively high degree of autonomy over the way in which they produced, they were themselves controlled over by the incentives and penalties built into the payment system (Clarke, 2014). Perhaps, linked to this is the high-level individualisation of the post-socialist era in the society itself (Walker, 2011: 22-23), which makes the wages a private issue in contemporary Russia; this was evidenced in the researched factories.

It seemed to be the rule among the researched factories that the bigger the plant (and the more need for control), the larger variation of the bonus part of the wage. At Derevo, where the bonuses were the highest, the fixed, hourly part of the salary constituted from 30 to 60 percent of the salary, depending on the department. The variable part of the salary depended on individual performance (piece rate) and a number of other measures. Almost as high were the bonuses at Himstroy and Provod, where individual quality indicators could determine 20–40 percent of one's salary. In the production occupations at Himstroy, bonuses were team-based and in logistics they were individually based. At Provod, the major part of binders' and operators' salary consisted of piecework; however, there was a difference that binders had only piecework, while operators had other bonuses as well. At Mashina, the wage scale consisted of four grades, although in addition to wages, there was a considerable quarterly bonus. Agrotehnika's wage system was equally individualised. It embraced basic salary plus quarterly bonuses and annual bonuses on individual basis. As to these five factories, the implementation of the individualised piece rates for wages implied continuity from the Soviet era, on the one hand, and taking the post-socialist individualist societal values as given. On the other hand, the incentive-based pay systems adopted in these companies signified a departure from regular time-wage systems typical of foreign-owned companies in Russia (Clarke, 2014).

The 'Western' production policy, which is observed in individualised wage tariffs, provoked criticism from a master working at Stal. In contrast to the current policy of anonymity and confidentiality in wage issues, in the Soviet era, 'everybody knew how much the others get [salary], what are the premiums'. In fact, he would have admired the centralised income agreements typical of some Nordic countries, which are based on the principle of transparency of wage formation. The team leader at Mashina admitted that he would be ready to return to the Soviet mode of production, but only with the 'European' standards to which he has already accustomed. Indeed, the corporate culture brought by the Nordic industrialist did not encounter equivocally positive response from the workers.

The organisation of work at Stal, based on teams, merits our attention. An interviewed master did not find a huge difference between the current and Soviet system of teamwork, when the 'brigadier' was in charge of the training of production workers and their production indicators, and this arrangement was still in place. Associated with this was the productive coefficient, which was similarly in place at Stal, which increased the likelihood with the Soviet enterprise.

Besides having the most atomised and compartmentalised wage system, the production process at Derevo—similar to Stal—was more or less organised according to the Soviet model. Although the managing director refuted the argument that the work organisation had holdovers from the Soviet era (in fact, he regarded that the process corresponds to the most modern Nordic and Russian factories), the production engineer maintained, 'In principle, everything has remained as it was [during the Soviet time]'. Although the managing director's argument on the discontinuity of the Soviet methods contradicts that of the production engineers at Agrotehnika, the activity of the former can still be regarded as an institutional bricoleur, since albeit it is not conscious, it nevertheless unconsciously drew upon existing social and cultural arrangements in the making of institutions (Cleaver, 2001).

7.2. Suggestion schemes and developmental talks

The two schemes for involvement of employees in developing the processes, suggestion schemes, and developmental talks are interesting in the Russian context in which they are expected to be a rarity. For example, an engineer for the preparation of production at Provod reported that such suggestion schemes taking place at that factory seldom existed in Russian enterprises. At Provod, when any worker came up with a proposal that would improve the production process, he or she was rewarded with a premium. This was really a stimulating factor for the workers. According to the engineer, '…many workers are sitting at their work sites and writing, they put forward suggestions, many [things] were fixed. It helps a lot'. Because of the scheme, she admitted that 'the management is really advanced'. At Stroymaterial, there was also a box for suggestions, and workers were able to earn money for approved proposals. However, the scheme did not function very effectively. There was no official scheme for suggestions at Stal, but according to a master, '…if there is a possibility to improve the assembly process, then you're welcome, give your suggestions and we will look at them'. He insisted that the workers knew about this possibility; however, it was unclear whether any bonuses were linked to the suggestion system.

Developmental talks are another indicator of the existence of 'modern' HRM practices in an enterprise. The production manager at Mashina answered in the affirmative when asked whether there was such a scheme at that factory. He insisted that 'it's a very handy thing', as once in a year, every manager has talks with every subordinate, when they discuss performance and future plans. Mashina was a small engineering shop, but also at a large factory, Derevo, the Nordic management had initiated such a scheme for all departments and workers, which had been in place for a few years. There were similar talks at Provod, but they concerned only the white-collar workers. The production engineer described the function of the talks, 'during those talks we can discuss own ideas, own pretensions with the superior face-to-face. The superior can, for his part, reveal [something], uphold you, which he doesn't always do before the entire collective'. What is more, a team leader at the larger unit of Himstroy spoke about a similar practice, 'communication sessions', brought forth by the Scandinavian management, which would even involve wage negotiations. As a Nordic owner acquired the unit was recently, the system was not immediately established. The direction was, however, clear: 'It appears that the culture of production in human relations gradually gets closer to the Western one'. Overall, the suggestion schemes and developmental talks were the areas that provided most evidence on the introduction of new, innovative elements in the HRM practices of the researched companies.

7.3. The provision of job security and stability of work

In the Soviet system, social stability was provided by the Party-state through the means offered by the enterprise (Clarke, 2014). The subjective orientation of the workers was based on the ideal of a job for life, of the workplace as the 'second home'. The security of the labour collective assumed even greater importance in the post-Soviet period, 'as an island of stability in the world of chaos and disorder' (ibid.: 17). What is more, in today's reality, security is sought for the sake of survival; it is widely held in contemporary Russia that people cannot afford to become unemployed, and many people accept meagre pay in order to survive during economic downturns (Schwartz, 2003). This notion is supported by employer policies that aim at reducing the number of working hours and wages rather than dismissing workers in crises (Kapelyushnikov et al., 2011). This state of affairs is well known among the managers of the Nordic-owned companies, where job security is being advocated as an HRM policy. The HR manager at Stal maintains:

> 'We have, we pay our salaries regularly twice a month, so they are sure that they will get their money at a certain date. We never delay any payments of salaries. […]. So if they want for example to get a loan at the bank, then they will get it because they work in a good company […] So, for them, it's first of all stability for their family, stability of income.'

Stability of employment relations is emphasised—explicitly or implicitly—in almost all worker interviews. Some workers still connect this feature to the Soviet era. For example, a blue-collar worker

at Stal maintained:

> 'In the Soviet Union, it was much easier, more relaxed and free. There weren't such tensions caused by dismissals or lay-offs. And it was stable that time, we didn't have such strikes, there were no crises. No devaluations, there were no things like that, we just worked in a peaceful way.'

The origins of the search for stability originate in the Soviet history. A master at Agrotehnika built up an archetype of Russian people, who '…is more [of a] stable [type]. […] We are people who don't like to run or hop. If I have everything alright here, then I won't leave. We love stability and security'. He continued that his Nordic employer provides such stability through regular wages and decent working and labour conditions. A blue-collar worker at the larger unit of Himstroy made a direct comparison of the Nordic enterprise with the Soviet type of work organisation, in which '…there were similar principles. Everything was stable and smooth'. She had to acknowledge that the private companies for which she worked previously were not 'stable' in such a manner. In sum, one can argue that the provision of stability and security of employment relationship was a deliberate HR policy sought by all the Nordic employers. The use of this feature to commit the workers to the enterprise also illustrated a skilful recombination of the 'old' sentiments of the workers with the 'modern' way of managing human resources.

7.4. Work-family policies

None of the interviewed workers reported having been on parental or maternal leave, apart from the obligatory childbirth leave for mothers. There were two white-collar female employees (quality engineer and department chief) at Provod, who had had their maternal leave prior to holding the current position at the factory, that is, not during the current employment contract. The stories of these two females were at least manifestations of the fact that a woman can get a promotion at a Nordic-owned company even after motherhood. The former respondent (quality engineer) had also an economist's education, which did not match well with the skill requirements of the current position. However, she believed her previous experience at the factory helped her obtain the promotion. She had an ordinary blue-collar worker's position at the same factory prior to her childbirth. The department chief, for her part, had been a mathematics teacher at the local school prior to motherhood. After the maternity leave, she got a position at Provod as a manual worker. She got several promotions at two to three years' intervals during her eight-year long tenure at the factory.

Provod may, however, be placed in a different situation (besides, perhaps, Stal with its highly gendered occupational structure) than the rest of the enterprises; the production at the factory heavily relied on women's contribution. The managing director and production manager openly admitted that the work performed at the factory is for women, and men can only be employed in the repair, maintenance, and IT

jobs. Therefore, the fact that women are likely to enter motherhood must be considered taken for granted by the company management. Against this backdrop, it is somewhat emblematic that the managers did not mention any measures to retain their human resources by providing schemes balancing work and the responsibilities at home, other than urging the municipality to arrange better daycare possibilities at the local kindergarten. The municipality had the responsibility of organising childcare, and the company pushed for more places at the kindergarten in order to get their key workers back to work. The production manager regarded this as a major human resource problem:

> '…what's here one thing that to my view influences, majority of workers here are single parents and consequently many problems that if, for example, we would like to have a night shift, a third shift, with the daily caretaking, very soon we should cope with that'.

The production manager considered the policy of the municipality very different from that of the company's country of origin; however, he had no better solution to offer for the problem. The company adopted a reactive policy to comply with local customs that require women to raise children and manage the home. There was no attempt to introduce a Scandinavian-type parental leave scheme, partially or fully at the cost of the company, in order to retain the key employees. Neither there was any intention to return to the paternal role of the Soviet enterprise by introducing day-care facilities for the company workers only.

Perhaps, as to this HR function, it is important to recognise that formal and informal practices are congruent to one another. The male-breadwinner model is so strongly rooted in social values that a foreign company cannot adopt distinctive schemes of parental leave. There might be a norm in the Russian society that if one of the spouses goes to work, the other will have the obligation to take care of the child. This became clear in the account of a young, male blue-collar worker at Stroymaterial. What is more, this young father did not seem to understand the question concerning his own parental leave for the birth of a child; it was so evident that the mother does it. He, however, had taken a vacation for himself after the child was born. Although there is a scheme for sending children to summer camps administered by the trade union of that enterprise, it is insufficient in compensating for a non-existent company policy for supporting families with newborns. Clearly, this is an area of development for the HRM departments of these companies.

7.5. Industrial relations

Industrial relations (IR) cover a wide range of different issues. However, in this study, we focus only on three major areas: employee representation, information, and consultation. If we think of such official IR institutions as trade unions and employee representatives, there was a unanimous principle, in sharp contrast to the Nordic practice among the supervisory or managerial staff: if a factory was small, there was no need for trade union or to elect employee representatives. For example, a master at

Mashina insisted that '…since we don't have the trade union, we don't probably have any obligation for that [representative]'. The functions of the trade union representative at those factories where it existed was not extended beyond the convenient role of a negotiation partner in collective bargaining (at Derevo, Provod and Stroymaterial) or an intermediate between the workers and the management in employee information and consultation (also at Himstroy).

Only the largest factories, Derevo, Himstroy, Provod, and Stroymaterial, had trade unions. In these plants, the employee representative was expected to be compliant with management policies. Otherwise, the shop steward was subject to be marginalised or re-elected. The managing director at Provod informed that his first job, when appointed as managing director, was to get the trade union chairperson re-elected, because 'The trade union was so strong there… With my old fellows who were there, I managed to get the former chairperson of the trade union to resign'. The present employee representative was one with whom 'one can talk with'. At Himstroy, the trade union chairman of the smaller unit was marginalized; he was under 'house arrest', as one interviewed worker put it, and only the one at the larger unit was involved in consultation with the management. The reason was that the former union was a militant one, affiliated to the Inter-regional Trade Union 'Workers' Association', whereas the latter was an affiliate of the chemical trade union, which was much more compliant towards employers.

Stroymaterial had put some enhanced information and consultation channels into practice, including the co-operation with the trade union and small consultative committee involved in welfare issues. Thus, there was a mix of Soviet welfare participation and Nordic incorporation participation with the union not having the typical powers of Nordic unions. Enhanced communication at Himstroy only concerned the workers at the larger unit, where employee-management relations was much more co-operative than at the smaller unit, and where communication and information-sharing schemes were in place. The communication policy at Mashina mainly involved the managing director's twenty-minute talk to the employees every second week concerning the future prospects, market situation and employment situation in the factory. Agrotehnika incorporated only one small shop at the time of the interviews, and there was a possibility to get employees and the management together and discuss work-related issues from one to two hours per week. The management at Stal provided the workers with a wide range of information and consultation possibilities, which was not, however, sufficient for enhanced communication, a prerequisite for innovative HRM. Employee information and consultation was based on email to supervisors (which they consequently spread to the workers), notice boards, an annual employee perception survey, plus ad hoc meetings between management and employees. There was neither trade union nor any other employee representation system at Stal. Instead, Stal had an elected representative for the company's European Information and Consultation Forum (EICF). However, there was no chance for blue-collar workers to be elected for the EICF owing to the requirement of English language skills. Instead, Provod might have had potential for the Nordic-type 'bargained constitutionalism' with its trade union consultation and collective bargaining. However, it did not fulfil

the idea of enhanced communication and information sharing in a manner which employees could understand the effect of their job effort on the firm's performance.

To summarise, the following table illustrates how the features of the traditional and modern management regimes, formal and informal practices are incorporated in HRM practices of the researched factories.

Table 2. Combinations of traditional, modern, formal and informal HRM practices at the researched factories

	formal practices		informal practices
	traditional	modern	
Agrotehnika	premium pay; job security	enhanced communication	emphasizing Soviet skills; culture of openness
Derevo	premium pay; job security; employee rep; collective agreement	developmental talks	
Himstroy	premium pay; job security; employee rep	developmental talks; enhanced communication	
Mashina	premium pay; job security	developmental talks; enhanced communication	culture of openness
Provod	premium pay; job security; employee rep; collective agreement	suggestion scheme; developmental talks	
Stal	premium pay; job security; brigade system	suggestion scheme	call for respect for skilled work; idea of 'easy-goingness'
Stroymaterial	premium pay; job security; employee rep; collective agreement	suggestion scheme	idea of 'easy-goingness'

Although Table 2 does not fully grasp the innovativeness of the use of the old forms of HRM practices, it shows the balance between traditional and modern schemes in the introduction of HRM practices. The Nordic management seems to prefer the 'old' HRM practices instead of incorporating the 'new' into the personnel policy toolbox. As regards informal practices, the emphases on skill-based culture and the culture of openness at a few factories are well in line with both Nordic (modern) and Soviet (traditional) ideals.

8. Discussion

Perhaps, the lesson to be learned with regard to institutional bricolage of management practices at Nordic factories in Russia is the ability of the bricoleurs to combine features of the traditional and the modern, the official and unofficial, in a manner that selects the most suitable features of all systems. The occurrence of lowering power distances in Russia and the low levels of hierarchy in Nordic work

organisations is skilfully combined in an innovative way to enhance communication climate and performance at some researched factories. Regarding this angle of management, rigid hierarchies and formal structures of the Soviet era have not been used as a reference. Rather, the focus has been on social relations of contemporary Russia. In light of this finding, it appears that the conflict between the old and the new, and between socialist and capitalist managerial approaches and mentalities prevailing in the current era (Clarke, 2014), can be reconciled at the Nordic companies in Russia.

However, with regard to probably the most important means of managing human resources, pay and incentives, the Soviet piece-rate and team coefficient pay systems were consciously been put into practice at all factories and was acknowledged by managers. The area of industrial relations (IR) was considered one of the most challenging HRM functions; in the IR related matters, the Nordic management seemed to resort to old conceptions rather than use innovative practices. There also existed a clearly underdeveloped area of HRM practice: the reconciliation of work and family and managerial attitudes towards parental leave at the researched factories. Indeed, future research must throw light on the phenomenon why the management assumes more active stance towards developing such areas as pay and incentives, communication culture, skill management, suggestion schemes and developmental talks, but largely neglects the development of new ways of maintaining work-family balance in the Russian context. Reasons for such selectivity may derive from the local societal context or investment orientations and management strategies of the firms.

This study proved the adequateness of the concept of institutional bricolage in the exploration of HRM practices of foreign subsidiaries in a country under 'transformation' such as Russia. Thus, the institutional bricolage concept makes an important contribution to the research on HR policies of multinationals in different localities; in this capacity, it provides something new in addition to the commonly used ideas of 'best practice/best fit' HRM, 'hybridisation of HRM practices' as well as 'recombinant' HRM. Drawing upon the social embeddedness of the localities, the concept of bricolage partially confirms the premises of 'path-dependency', although it deviates from the latter in its openness to the 'new'—with a simultaneous commitment to the 'old'—thus leaving open the future development of symbols, concepts and resources.

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Notes

[1] Masters were typical of the Soviet organisation of work, in which the department manager had one or two senior masters as subordinates. Masters in turn command the team leaders, or brigadiers.

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