

Abstract

In recent years, social theory has become increasingly concerned with consumption and the changing nature of consumer society. By contrast, students of organizations have given only limited attention to the implications of consumption and consumerism for the analysis of their subject matter. In the light of this, the paper considers the contribution that the sociology of organizations can and should make to discussions of consumption and associated debates concerning contemporary consumer society. Our argument is that since in contemporary societies, consumption is achieved through the mediation of organizations it follows that an adequate study of consumption can only be developed in conjunction with the sociology of organizations. However, it is also the case that the analysis of organizations must change if it is to take the issue of consumption seriously. By placing consumption more centrally in our analysis, the study of organizations is, in our view, forced to address current theoretical and empirical questions about the nature of modern (or is it post-modern?) society, a task that is sometimes ignored by organizational analysts but is implicit in the tradition of study deriving from Weber. The paper seeks to show how these changes open up fruitful new areas for the study of organizations and consumption and, in particular. Questions concerning the nature of power and identity in modern societies.

Introduction

In recent years, there has been an upsurge of interest within sociological circles in the study of consumption. Initially, this interest was stimulated by the work of Castells (1977) and his development of the concept of

'collective consumption' as applied to housing and other aspects of urban life (for the most extended discussion of this concept and its relation to a more generalized 'sociology of consumption' see Saunders 1986). More recently, however, issues concerned with consumption have gained a higher profile both inside and outside sociology. From the area of political economy, the argument has been made that we are entering a new era of 'flexible specialization' where consumers require a wide variety of products. As a consequence, methods of mass production are being replaced by more flexible systems of work, capable of responding more quickly to changes in consumer demand (see Piore and Sabel 1984 for the clearest exposition of this argument and Pollert 1988 for a critique). Within historical studies, the 'birth of the consumer society'

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and its institutions in 18th century England is now being seen as 'the necessary analogue to the industrial revolution, the necessary convulsion on the demand side of the equation to match the convulsion on the supply side' (McKendrick et al). Within critical philosophy, postmodernism now provides a framework which no longer reduces consumption to the status of a manipulated need (as, for example, in Marcuse 1964) and instead celebrates it as an expression of what Baudrillard (1988) terms 'hyper-reality' - that 'strange mixture of fantasy and desire that is unique to late 20th century culture' (Kellner). Even within Marxism, the dominance of discourses based on production is being undermined; consumption is now no longer subordinated to production but is seen instead as being essential to the construction of new progressive social forces in these 'New Times' (see Hall and Jacques 1989 for a range of arguments which develop this point). Within sociology itself, renewed interest in status (Turner), 'consumerism' (Campbell), food (Mennell) and manners (Elias) are all

contributing to an increased concern for the analysis of consumption processes (see the recent Special Issue of *Sociology*, 1990 , on Consumption for various contributions to the emerging debate: also Burrows and Marsh1991.)

It is important to note the two strands in this debate. On the one hand, there are those contributions which see consumption in general as a neglected focus in the social sciences (e.g. Saunders) and therefore seek to raise its profile in research. In such a view, consumption needs to be added-on to existing debates and theories. On the other hand, there are those authors who perceive a sea-change in social life in advanced western societies over the last two decades and believe that one of the most important manifestations of such a change is the new role which consumption plays. This latter position is associated with the Marxist contributions of the authors of 'New Times' (Hall), the philosophers of post-modernism (especially Baudrillard 1988) and the cultural theorists represented in the journal *Theory, Culture and Society* (e.g. Featherstone).

In our view, organization studies has failed to confront these issues to any significant degree. A cursory look at even the most recent texts (Thompson) reveals no interest in consumption. Only Clegg (1990) comes close to addressing the issue, a point we will consider later. Nor is there any evidence in the major journals such as *Organization Studies* or *Administrative Science Quarterly* that consumption is relevant to organizational analysis.

Unfortunately, however, this lack of interest seems to us to be a case of institutionalized myopia, rather than the outcome of serious intellectual argument. After all, in industrial societies, consumption takes place through the mediation of organizations. Organizations are the sites in which people purchase goods and services. Organizations are invariably the producers of those goods and

services; indeed they are frequently the consumers of goods and services as well. Changes in organizations and

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changes in consumption are inextricably intertwined, yet it is rarely that any of the theorists concerned with consumption make reference to 'organizational' issues and it is equally rare for any organization theorist to make reference to the consumption literature. Thus building a bridge between the two areas strikes us as a meaningful and worthwhile activity. This paper attempts to lay down some of the foundations upon which such a project could begin in earnest.

The paper is organized around four sections. The first concerns itself with a brief overview of organization theory and its limited consideration of consumption. In this section, we consider the two strands of consumption theory as previously identified and seek to develop a framework for examining consumption and organizations. Within each of the succeeding three sections we seek to show how the sociology of organizations can contribute to an understanding of consumption in relation to the framework which we have established. Insofar as theory in the consumption literature 'has too frequently operated at the most general and therefore abstract levels' (Tomlinson), we feel that organizational analysis can provide an important corrective by examining how contemporary consumerism is constituted and sustained in everyday organizational and social practices. However, the advantages flow in the opposite direction also; by giving attention to consumption, the sociology of organizations is forced to address current theoretical and empirical questions about the nature of society and social change, which are often ignored, if not ruled out of court by the self-appointed guardians of what organization theory is really about

(e.g. Donaldson). In the concluding section, we emphasize the synergies to be derived from the cross fertilization of ideas and research work from both organization theory and social theory in the study of consumption. We also indicate some directions in which research of this kind might develop.

Organization Theory and Consumption

Our starting point is that organization theory as a whole has paid little attention to consumption. By exploring the reasons for this, we can begin to understand both the limitations of the theory and the direction which needs to be taken. Whilst not wishing to over-emphasize the homogeneity of 'Organization Theory' (see Morgan 1990; for discussions of the diversity within the field), we accept that Burrell and Morgan (1979) were correct to identify the predominance of the structural-functionalist framework in this area. In such a view, 'organization theory' primarily concerns the analysis of the organization as a system. The external environment is conceptualized as the source of inputs to the system as well as the destination of outputs. In order to survive, the organization 'adapts' to the environment; in the language of contingency theory, its internal structure 'fits' the demands of the environment. In such a view, organizations are perceived as 'structure-takers, not structure-makers'

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(Clegg). Thus the issue for organizational analysis concerns how the external constraints of the environment are translated into organizational imperatives.

In this approach, consumers 'disappear' behind what is objectified as the market, which is a major constraint on how the organization develops. The inter-dependence and social constitution of the market, the consumer and the

organization is ignored; they exist as separate, independent elements both of the overall system and of the academic disciplines of analysis. The gulf between marketing, economics and organizational behaviour as academic disciplines institutionalizes the conceptual separation of these phenomena. In this sense, the issue of consumption can be safely relegated to the domain of other disciplines and is thereby treated as peripheral to the central questions of organizational analysis.

Such a displacement of attention, however, is difficult to sustain, even within a systems perspective, as the literature on strategic management indicates. In this literature, there is increasing recognition that the 'environment' does not constitute an objective constraint on the organization but, on the contrary, is constituted by the organization at a number of levels. At the most fundamental level, the environment is constituted as an object of knowledge, as something that is known, by the interpretive schema of particular groups of managers within the organization (Smircich and Stubbart). At another level, organizations cooperate and work together to create a favourable environment for themselves as the literature on inter-organizational networks indicates (Pennings). Finally, some elements of the strategic management literature encourage managers to take risks, to do things which they believe in, to reshape the environment with new products and ideas (Peters). All of these approaches point to the weakness of the rigid distinction between organization and environment and the need for organization studies to examine the inter-relationship and mutual constitution of these phenomena.

This argument can draw some limited sustenance from the other main tradition of organization theory, developing out of Marxist and Weberian approaches. These authors have recognized that organizations not only respond to, or are constrained by, environmental conditions, but also

contribute quite significantly to their reproduction. For example, critical approaches to organization theory have addressed the issues of class and politics (Salaman), gender and race (Henriques) and technology (Salaman) as elements of social life that are reproduced in organizations, as well as by them. In this sense, organizations are neither innocent bystanders nor passive recipients of the structures of social inequality and scientific innovation. Once again, however, the focus remains predominantly on the organization as a form of production.

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Deeply embedded in Marxist approaches has been the emphasis upon production and this has been reflected in the concern with class as constituted in, and through, organizations. It is perhaps feminist analysis which has come closest to bridging the gap between production and consumption as it has examined the complex links between the home as a site of production, reproduction and consumption and both the role of women in organizations and the organizational construction of female identity within the workplace and in the wider social setting (Beechey). Even so, a more explicit consideration of consumption can, in our view, serve to clarify these links and sharpen up discussion.

Our remarks so far could be interpreted as following the argument we ascribed to Saunders (1986) - namely, that consumption has been neglected as an issue and therefore somehow needs to be 'added on' to any analysis of contemporary life. Such an approach undoubtedly has merit, but it could be extended. In our view, it is not just that organization theory should consider consumption more explicitly. It is also a question of whether the changes currently taking place in organizations and society are best understood through a framework informed by a focus upon consumption.

This latter point has a prima facie validity in that there is already a significant debate occurring on the borders of organization theory which makes just this point. The flexible manufacturing thesis (in particular, Piore and Sabel) points to the development of consumer-driven industries, in which the mass production of standardized commodities gives way to short runs of differentiated goods. Piore and Sabel's model hypothesizes a range of changes in the nature of technology, the state, economic organization, class relations and consumers. Given the ambitious scope of their thesis and its significance for traditional modes of theorizing, it is not surprising that it has generated severe criticism (see especially Pollert). On the other hand, it keeps re-appearing as a framework and set of organizing hypotheses.

Interestingly, one recent discussion of Piore and Sabel is contained in Clegg (1990). As noted earlier, this is one of the few examples of a text on organizations which does consider aspects of consumption. In relation to Piore and Sabel, Clegg labels them as 'neo-romantics';

The neo-romantic argument derives from the contribution of Piore and Sabel (1984) with their insistence that we are at a critical divide in human history, one whereby the utopian aspects of community, lost with the nineteenth century demise of craft work in domestic industry, may be regained. The romanticism resides in the retrospective vision. At base their theory is consumption-driven.' (Clegg)

Whilst rejecting Piore and Sabel's vision of an idealistic past and future, Clegg nevertheless shares their interest in flexibility. However, in contrast to them, he finds the roots of flexibility more in the Far East than in Emilia-Romagna. He focuses particularly on Japanese industry as an

example of flexible manufacturing systems, as distinct from the mass production, bureaucratic systems of the U.S.A. and the U.K. Implicit throughout Clegg's book is an interest in consumption and the ways in which it is linked to organizations. Flexibility is one example of this, but Clegg also considers the powerful influence of cultural consumption values over organization structure, for instance, in his discussion of French bread and French bakeries. In these ways, Clegg comes close to raising the central importance of consumption for organization theory.

However, in the end, too much remains implicit and attention to consumption is diverted by a concern to apply the term 'postmodern' to organizations, as though it were synonymous with 'flexible manufacturing'. In conflating these conceptualizations, Clegg ignores the arguments of authors such as Lash that postmodernism is 'confined to the realm of culture' (Lash). By going beyond the discourse of 'post-Fordism' to that of postmodernism, Clegg links the cultural and the organizational but within a framework in which the analysis of consumption remains limited. In particular, it is unclear whether he conceives of a fundamental change in organizations, culture and society, revolving around the issues of consumption or whether he is arguing that these divergent possibilities (i.e. flexibility and bureaucracy) are embedded in industrialism per se. If it is the latter, then flexibility, and with it the importance of consumption, simply needs to be more highlighted in organizational analysis. If it is the former, then the specific role of consumption needs explicit consideration.

There may be an objection at this point that there is no necessary incompatibility between the add-on view and the alternative perspective. To some extent, we would accept this argument, so long as it is recognized

that there are two distinct but inter-connected issues here. On the one hand, there is the striving for a theory of organizations which incorporates an understanding of the interdependencies between organizations and consumers. On the other hand, there is the attempt to understand transformations in modern societies as related to qualitative changes in the nature of consumption. Analytically, it should be possible to build these two arguments together, though they are not necessarily the same argument. We try to do this in the remaining part of the paper.

The Category of Consumption

This task can be clarified by considering Warde's recent analysis of consumption (Warde). There are three main points to his argument. First is the view that consumption involves 'different stages in a cycle between the production and final enjoyment of a good or service' (Warde) each of which needs to be specified and examined. Second, these different stages are embedded in distinct sets of social relations within the 'cycle from production to final use' (ibid: 4). Third he

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Focuses upon commodities, arguing that they can be analyzed in terms of three characteristics - exchange value, use value and identity value (Warde). Exchange value refers to the monetary value given to the commodity; use value refers to how the product or service is actually used; identity value refers to the way in which the commodity contributes to the constitution of the social identity of the consumer.

While each of these points are interrelated, emphasizing a different aspect of consumption, from the perspective of organization studies it is best that we focus attention on the social constitution of commodities. This is for two reasons. First, we need to break away from the dominant

focus on production in organization analysis and second, a concentration on the final stage of consumption would take the analysis away from the commonly understood study of organizations. Having said this, the connections between the organization of production through, for example, wage labour and the organization of consumption either privately or within households through kinship, power, ethnic and gender relations cannot be ignored. There is no space here, however, to provide such a comprehensive analysis and therefore we merely attempt to translate the three characteristics of commodities, which Warde identifies, into issues for the sociology of organizations. In relation to exchange, we examine how organizations construct exchange values. In relation to use values, we consider how organizations constitute commodities as 'useful'. Finally, we discuss the role of organizations in changing or reinforcing the identities of consumers. In this analysis, we are conscious that a number of other issues which Warde raises are 'bracketed off'. However, we do this in the hope that it aids the clarity of our exposition which we see as a starting point in the attempt to bring together the analysis of consumption and organizations, rather than a conclusive analysis.

Such an approach, we believe, also has the benefit of both illustrating the process of adding on consumption to existing analyses and also demonstrating the potential for reconstructing our approach to organization theory as a whole. In particular, Warde's concern with the nature of value in commodities raises some important issues. As Marxist categories, use-value and exchange-value have been extensively theorized within that literature (Oilman), but the same cannot be said of identity-value. Indeed, it might be argued that an analysis of identity outside the sphere of psychology, where it is usually reduced to a set of quantifiable variables that have little bearing on the individual's actual experiences, is one of the most neglected topics within social science (

Willis). By integrating this theme directly into the sociology of consumption, Warde has opened up an important area of investigation. By considering how consumption is linked to identity and the role of organizations in this process, we can link our analysis to current theoretical debates about the nature of modern society, thus reintegrating the study of organizations with mainstream social theory.