The Nordic experience shows that there is no trade-off between equality and economic development. These models of productive welfare and solidaristic individualism are today challenged due to global pressures and politics of deregulation and cuts in welfare. Inequalities grow. But, in spite of their international dependence, the Nordic countries have been different for a long time, and can be so also in the future. Their “provisional utopias” change as experiences grow.

With this background Nordic Lights analyses how management trends like Lean, NPM, BPR, and Toyotaism are adapted in the Scandinavian countries. What are the consequences for women and young workers, work environment, flexibility and unions? Do Scandinavian contributions to a decent and productive working life – like socio-technical work organisation and dialogue based management as known from Volvo – show that another world of work is possible?

The Nordic countries have long been beacons for people around the world eager to see workplaces transformed into spaces where working people could express their humanity and aspirations. Readers will find empirical accounts and equally rich theoretical perspectives on the team-work alternatives to the Taylorist and Fordist models and on the broader context in politics, the economy and the labour market. This remarkable book explains the Scandinavian model of economic justice. It shows how information technologies can be put at the service of people, improving both efficiency and well-being. Scholars, business executives, and trade unions alike should read this thorough account of solidarity economics in practice.

MANUEL CASTELLS, Professor Emeritus of Sociology and Planning, University of California, Berkeley

This superb book shines a penetrating light on contemporary Nordic developments in the fields of innovation in work, organisation and management. Åke Sandberg has produced an insightful, cohesive and very readable book, most suitable for researchers, practitioners and general readers.

RUSSELL LANSBURY, Emeritus Professor in Work and Employment Relations, University of Sydney

In recent years, economic crisis, globalization and imported managerial techniques have threatened to destroy the Nordic models of labor relations and research. The good news of Nordic Lights is that most key elements of the models remain intact, even as the region’s labor movement faces daunting challenges.

RUTH MILKMAN, Professor of Sociology, City University of New York

The Scandinavian model of work and economy long stood for attempts to reconcile contradictory interests. Within “Varieties of Capitalism” it constitutes a central variation. Nordic Lights describes this capitalist alternative in a multifaceted way. The exciting analysis is timely as the relevance of such alternatives is now questioned.

MICHAEL SCHUMANN, Professor, Senior President, SOFI, Soziologisches Forschungsinstitut Göttingen

Anyone interested in knowing more about how work in capitalist society can be organised and managed differently from the hegemonic Anglo-American model must read this book. It offers a comprehensive survey of the solidaristic Swedish and other Nordic models, their considerable strengths, but also their vulnerabilities.

CHRIS SMITH, Professor of Organisation Studies and Comparative Management, Royal Holloway University of London

Åke Sandberg is Professor Emeritus at the Department of Sociology, Stockholm University, formerly at the National Institute for Working Life and the Royal Institute of Technology (KTH).
Nordic Lights
NORDIC LIGHTS

Work, Management and Welfare in Scandinavia

Michael Allvin • Gunnar Aronsson
Torsten Björkman • Bo Blomquist • Martha Blomqvist
Anders Boglind • Anders Bruhn • Christofer Edling
Tomas Engström • Birgitta Eriksson • Patrik Hall
Dan Jonsson • Sten Jönsson • Annette Kamp
Jan Ch. Karlsson • Anders Kjellberg • Christian Koch
Klas Levinson • Lars Medbo • Fredrik Movitz
Klaus T. Nielsen • Helena Norman • Åke Sandberg
Egil J. Skorstad • Anna Wahl

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Åke Sandberg (ed.)
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Contents

Foreword by Paul Adler 7
Preface 9

1. How Bright are the Nordic Lights? 13
   Åke Sandberg and Fredrik Movitz

Part I
2. Contested Models: Productive Welfare and Solidaristic Individualism 31
   Fredrik Movitz and Åke Sandberg
3. Management: Still a Fashion Industry 91
   Torsten Björkman
4. A New World of Work Challenging Swedish Unions 126
   Anders Bruhn, Anders Kjellberg and Åke Sandberg

Part II
5. Volvo and a Swedish Organisation and Management Model 189
   Anders Boglind
6. Assembly Systems and Work in the Swedish Automotive Industry 225
   Bo Blomquist, Tomas Engström, Dan Jonsson and Lars Medbo

Part III
7. When the Blues Meets the Blue Eye 257
   Christian Koch
8. Organisational Change and Resistance in Norwegian Working Life 277
   Egil J. Skorstad
9. Management of Working Environment 296
   Annette Kamp and Klaus T. Nielsen

Part IV
10. Gender in New Management 329
    Martha Blomqvist
11. Gendering Management 348
    Anna Wahl
Part V

12. Flexibility in Practice 371
   Birgitta Eriksson and Jan Ch. Karlsson

13. New Management and Good Work? A Swedish Experience 384
   Christofer Edling and Åke Sandberg

14. NPM in Sweden: The Risky Balance between Bureaucracy and Politics 406
    Patrik Hall

15. Flexibility, Boundarylessness and the Strategies of Work 420
    Michael Allvin and Gunnar Aronsson

16. The New Economy Rhetoric and Interactive Media Workers 436
    Fredrik Movitz

17. Quality of Work and Product in Digital and Print Media 449
    Åke Sandberg and Helena Norman

18. Employee Board Representation in the Swedish Private Sector 471
    Fredrik Movitz and Klas Levinson

Part VI

19. Swedish Research on Organisations and Management 487
    Sten Jönsson

The Contributors 508
Foreword

The Nordic and Scandinavian countries have long been beacons for people around the world who were eager to see workplaces transformed into spaces where working people could express their humanity and aspirations. These countries have been famous for their sociotechnical forms of work organisation, dialogue based forms of management, collaborative union-management relations, and advanced training and welfare systems. Nation-wide collective bargaining agreements ensured the same pay for the same work regardless of the profitability of each company, and this encouraged rapid industrial adaptation. Government programmes supported vocational training and education, and this allowed workers impacted by that adaptation to transition to new jobs in growing sectors of the economy. These practices resulted in sustained and widely-shared prosperity.

This distinctive “model” of work and economy has, however, come under increasing pressure in recent years, as global capitalism asserts itself ever more forcefully and without the counterweight of any comparably globalized union movement or civil society. Across the region, and notwithstanding significant differences among firms and countries, union rights have come under attack. Employers have pushed toward the individualisation of pay. Workers themselves have shifted toward short-term and instrumental views of union membership. Several large-scale industries have declined and employment growth has shifted toward smaller service companies, with negative consequences for wage levels, job quality, job security, and union influence. This shift has been slowed down by a high union density, by strong workplace organisation and national confederations, and by a high rate of coverage by nationally agreed collective agreements. Nevertheless, vigorous action by conservative governments in the region has dealt damaging blows to the old model, through drastic funding cuts in the social insurance and the unemployment insurance system and in training for new jobs.

This volume affords us an opportunity to take stock of the changes to date and reconsider the path ahead. The editor has compiled an exceptionally rich set of essays. Various chapters cover management fashions; the impact of doctrines
of new public management and privatizations in the public sector; the challenges posed to workers and unions by business process reengineering and lean production; how Volvo’s distinctive work and management philosophies have fared under the company’s new owners, Ford; changing management approaches to the work environment; evolving forms of worker resistance; changing gender dynamics in the workplace; trends towards flexibility and boundaryless work; work in media companies and journalism; and the challenges posed to the system of employee board representation as a result of financialisation.

Readers will find not only rich empirical accounts but also equally rich theoretical perspectives. Whereas much Anglo-Saxon research on work has focused on the content and consequences of management doctrines and practices, comparable Nordic and Scandinavian research has given greater weight to the independent role of unions and workers. As a result, this research is particularly informative both in its analysis of the team-work alternatives to the Taylorist and Fordist models that dominated much industrial practice in the twentieth century, and in its analysis of the broader context in politics, the economy and the labour market that made such alternatives possible.

We all have much to learn from the experience and insight reflected in this set of essays.

Los Angeles, April 2013

Paul S. Adler
Professor of Management and Organization
University of Southern California
This book has grown out of research based in a long Swedish and Scandinavian experience of and belief in welfare, qualifications, dialogue, equality, autonomy and democracy at work, both as goals in themselves and as means to economic development. Is this too rosy a picture? The book gives critical Scandinavian perspectives, “Nordic lights” on management and the new working life, in Scandinavia and elsewhere.

This volume is about work, organisation, management and welfare in Scandinavia, in the Nordic countries: management fashions, New Public Management (NPM), Business Process Reengineering (BPR), Lean Production, challenges for trade unions, Volvo’s work and management meeting Ford and Toyota, work environment management, worker resistance, gender and management, the flexible firm, boundaryless work, the media and journalists’ work, interactive media and the “new economy” are among the themes discussed.

How are new forms of management received and adapted in Scandinavia? What are the consequences for workers and unions? And for productivity? And what are specific Scandinavian contributions to a decent and productive working life? Do the Swedish, Scandinavian and Nordic experiences discussed here show that another world of work is possible? And what is problematic with those experiences? What can we learn?

All this happens in a world where companies and their management, and financial markets, are globalised to a much greater degree than are politics and trade unions. Many jobs are under threat and increasing numbers of jobs are of a temporary and precarious nature. Inequalities are growing fast, not least in the Scandinavian countries that used to be among the most equal countries in the world.

Solidaristic wage policy with equal pay for equal work has meant strong pressure on companies to stay competitive, but there is still a gender gap in wages. Innovation and industrial transformation and creation of new jobs are supplemented with an active labour market policy with support and retraining for displaced
workers. In ambition with a universal welfare policy, this leads to employees and unions that are positive to rationalisations, new technology and work organisation, and to economic development.

Scandinavian countries are repeatedly found at the top of international benchmarking lists when it comes to welfare and quality of life, but also competitiveness, innovation and investment climate. There seems to be no trade-off between equality and economic development. Rather a theme has been that of “productive justice” and “productive welfare”. This social contract of solidarity is now endangered as Sweden is falling behind in some dimensions of welfare, and as there are hikes in social insurance systems and in the active labour market policy of qualified retraining and lifelong learning, unemployment and inequalities grow (according to the OECD Income Distribution Database in 2013, faster than in all comparable countries).

The welfare state is still strong, but in Sweden we are now seeing changes after two terms with a centre-right government dominated by a conservative party which has reformulated its rhetoric, and to some extent its policy, aiming at integrating the middle classes into a project giving material benefits, major subsidies and tax cuts to those relatively well off. The project also gives the middle classes, and aspirational workers, a feeling of belonging to the successful class, those who do not need welfare benefits, those who work and are entitled to tax cuts – in contrast to “the others”, the less privileged. In a way that is similar – but with opposite strategies and results – to what social democracy managed to do during preceding decades, integrating all wage earners (white-collar employees and workers) into a broad strategy of solidarity, and individual development for all but not at the expense of the less privileged.

Aspects of the conservative strategy involve drastic tax cuts, the slashing of benefits for the sick and unemployed, lower benefits and hikes in fees for unemployment insurance, less restrictions on unsecure and short-term jobs, the closure of Arbetslivsinstitutet (the National Institute for Working Life, NIWL) and cuts to the budget of the Work Environment Authority and for training of trade union representatives. Some of those austerity measures were probably necessary to create better incentives to work but the massive character of them has led to growing inequalities and to a weakening of trade unions, and this might endanger the “Swedish model” in the labour market, which presupposes well organised actors on both the employer and union sides. The Northern lights are perhaps not that bright any longer.

In the welfare sector, privatisations have accelerated during the last decade. The introduction of the profit motive and of managerial ideas coming from the private industry also in public sector welfare establishments (new public management) is fundamentally changing the provision of welfare from democratic control, professional knowledge and ethics to marketisation, and new forms of bureaucratisation, where price mechanisms, control and audits dominate. In
combination with cuts in taxes and thus in allowances for education and health care, quality is degrading and equality in schools and hospitals is endangered.

In spite of this, it is true that essential parts of the welfare state and the Swedish labour market model remain, and are developing in an experimental way. Issues like these will be discussed at some length in the introductory chapters. Against that background, different parts of working life and the economy in Sweden and Scandinavia are presented and analysed more in detail. The analysis will show that Scandinavian models of work, organisation and welfare in many respects differ from those found in the global management literature; they are indeed contested concepts.

It has taken some time to complete this book after the closing of Arbetslivsinstitutet (the National Institute for Working Life, NIWL). It is in part based on my edited volume *Ledning för alla?*, appearing over the last couple of decades in four revised editions. A key idea of this volume, as well as of the Swedish one, is to investigate work and management, not only from a managerial perspective and not restricting ourselves to productivity aspects, but also from a worker and union perspective, and asking questions about work content, employee influence and the changing role of trade unions. Partially, it is a presentation of dominant managerial ideas, often of a US origin, from a critical perspective that has its roots in a Scandinavian tradition of sociotechnical work organisation, and efforts to democratise working life.

The book gives accounts of ideology and practice in work and management in Scandinavia, and it will give the reader some new insights into Scandinavian models and practices and also how international trends are used and adapted in Scandinavia. An underlying question is: Under what social and historical conditions, and with what strategies, might it be possible to combine welfare, equality and good work with competitive companies and economic development?

First of all I want to thank the authors for their contributions and for being so responsive to my editorial comments aiming at making the book a coherent whole. I am very glad to see the quality of the outcome of this process. The Department of Sociology at Stockholm University offered a stimulating milieu for the project and I want to thank especially Fredrik Movitz, colleague at the department, and before that at the NIWL, for important contributions to several chapters and for comments during the final editing of this volume. Göran Ahrne commented on the introductory chapters. For earlier editions among others P.O. Bergström, Per-Erik Boivie, Kaj Frick, Rolf Å. Gustafsson, Ingemar Göransson, Rianne Mahon, Rudolf Meidner, Casten von Otter, Ulla Ressner, and Birger Viklund gave valuable suggestions.

Colleagues and friends internationally have inspired and helped putting Scandinavian experiences in context, among them especially: Stephen Ackroyd (Lancaster University), Paul Adler (University of Southern California), Michel Freyssenet (Gerpisa, Paris), Joan Greenbaum (CUNY), Wolf Heydebrand (NYU), Christian Koch (DTU Copenhagen and Chalmers), Michael Schumann (SOFI,
Göttingen) and Egil Skorstad (Østfold University). Several research networks have been important: the International Labour Process Conferences (ILPC, Chris Smith and Paul Thompson), The Research Committee on Participation, Organizational Democracy and Self-management (RC10) of the ISA (György Széll), as well as stays as guest professor at the Laboratoire d’économie et de sociologie du travail (LEST) in Aix-en-Provence (Eric Verdier), and the University of New South Wales (UNSW, Michael Quinlan) and in Sydney also Russel Lansbury. I also want to thank Saemi Grettisson, the department’s computer specialist, as a representative for the administrative staff, for invaluable support, and Barbro Andersson, our very professional editor at SNS Förlag.

Special and warm thanks to Anne Cahling and Stephen Croall who in a skilled, communicative and patient way have translated and edited almost all the chapters.

This volume is not the result of a specific research project, it is rather an effort by a group of researchers to present results in a way accessible to a broad general public and for students of work, organisation and management. But of course the original research was funded, and Swedish contributions in most cases by the Swedish Council for Working Life and Social Research (FAS) and in some cases also by Vinnova – Sweden’s innovation agency.

Stockholm, April 2013

Åke Sandberg
www.akesandberg.se
ake.sandberg@sociology.su.se
What are work, organisation and management like in contemporary Sweden and Scandinavia, and is there such a thing as a new working life? To what extent does it differ from other countries? Is Sweden undergoing change and becoming more like other countries due to deregulation, pressures of globalisation, foreign ownership and the international diffusion of popular management ideas in both the private and public sectors? These are some of the issues dealt with in the chapters of this book about Scandinavia which offers critical perspectives – Nordic lights – on management in Scandinavia and in general.

The issue of Sweden’s relative uniqueness and change has been repeatedly, if not to say constantly, debated in Sweden for decades, and especially from the 1990s economic crisis and onwards. Whereas some currently greet what they view as the death of the so-called Swedish model and the end of Social Democratic hegemony optimistically, as signs that Sweden is becoming a normalised/proper capitalist country characterised by short-term profit-seeking and individual responsibility for both success and failure, others are raising concerns about increased job insecurity, labour market exclusion, growing gaps in wages and wealth, uncontrolled privatisation and a shift in influence from workers to companies. Does this mean that we are seeing Nordic lights being followed by Nordic nights? How bright are the Northern lights today?

While there is great disagreement regarding the consequences of change and their desirability, there seems to be far more agreement, at least in the public debate, that Sweden is undergoing a major change. Furthermore, although the changes are generally discussed at the macro and micro levels (changes in Swed-

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1. In this introduction, for simplicity’s sake, we mainly focus on and refer to Sweden, even though there are many similarities to the historical developments and current situation in the other Scandinavian countries (Denmark and Norway) and the Nordic countries (including also Finland, and Iceland which is less similar). Denmark, Norway and Finland all have around five million inhabitants, Iceland around 300 000, and Sweden more than nine million.
ish society with consequences for individuals), most of the issues are directly related to how work is organised and managed at the meso level.

Such debates are of course far from unique to Sweden, and the positions and battle-lines seem to be similar in most comparable countries. Given that Sweden is just one of hundreds of countries with little more than nine million inhabitants, and even within the European Union is a midget representing less than two per cent of the population, the broader relevance of the book can rightfully be questioned. Admittedly, there are many significantly larger countries with higher economic and cultural global impact, and in many cases also with far more problematic working conditions. But we would nevertheless argue that the Swedish and Scandinavian variants of working life are of significance, since they have historically represented, and in some cases still do represent, alternative institutional arrangements and ways of organising work and the economy.

Our principal argument in this volume is thus not that Swedish working life research should receive more attention. Rather, we want to emphasise, and hope to contribute to, one of the main strengths (and often necessities) of working life research: solid empirical investigations of what work and organisation are really like at the firm and workplace level in those somewhat exotic countries in northern Europe.

Working life research conducted from a “critical” viewpoint often means nothing more controversial than investigating issues from the viewpoint of the majority of employees, rather than the minority of employers, owners and managers, or at least taking the former into account. As shown by many classic labour process theorists, not least Norwegian sociologist Sverre Lysgaard’s (1961) classic study of the worker collective, it is this empirical strength that simultaneously contributes to the advancement of critical perspectives on work and organisation, and the refutation of neoliberal and management consultant ideas of what working life is and should be. Sound empirical studies linked to theories of the labour process and political economy have also been a distinguishing mark of contributions to the annual International Labour Process Conference.\(^2\) The 30\(^{th}\) conference was held in Stockholm in 2012\(^3\) and that was perhaps about time, since Sweden and Scandinavia are among the countries where empirical studies of work have comparatively good chances of being carried out, due to the strength of unions and the still relatively cooperative relations between the parties on the labour market.

**Varieties of work and management**

As comparative political economy and classic sociological studies such as Weber’s investigation of the relations between religion and economic systems tell us, there is much to be gained from not only focusing on the larger and most common

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\(^2\) A background to the series of conferences is to be found at the website www.ilpc.org.uk.

3. A report from two symposia organised at the Stockholm conference has been published: “Contested Nordic Models of Work and Employment” (Sandberg 2013).
cases. Investigating alternatives and less common cases helps weaken deterministic explanations and policy statements about the only and inevitable way forward, which is currently often presented as a need of increased job insecurity due to market fluctuations and global competition. In recent years, and spurred by the transformations of Eastern Europe and Asia (notably China and India), there has been a growing (or, rather, renewed) awareness among researchers that capitalism is far from being a uniform economic system, but is rather a multitude of variations. This position is visible in the literature on varieties of capitalism, regulation theory and economic sociology (Hall & Soskice 2001; Hollingsworth & Boyer 1997; Smelser & Swedberg 1994).

For researchers who, like us, come from a critical and labour process perspective, this insight is far from new. Labour process theorists in line with Marx would argue, for instance, that there is a common conflict in all capitalist systems based on the fact that employees, on the one hand, need to rent out their potential for labour, and employers, on the other hand, seek profit by controlling and maximising labour input (hours, intensity etc.). But there is also a recognition that the more or less successful attempts of employers and managers to control labour and workers’ means of resistance and misbehaviour are contextual (Ackroyd & Thompson 1999; Edwards 1990; Karlsson 2011; Storey 1985; Thompson 1983). The everyday muddling-through and strategies used by labour, managers and owners, respectively, varies over time, as well as between countries, regions, industries and classes. In other words, it is all capitalism, but what capitalism means and the form it takes depends on time and space. Herein lies a paradox: as a system, capitalism is based and dependent on certain principles and institutions (Aspers 2011; Fligstein 2001; North 1990; Sayer 1995; Boyer and Freyssenet 2002); but there is no capitalism in general, only in particular.

Critical research on work and organisation is largely preoccupied with analysing in detail the particularities of capitalism, their changes over time and consequences for workers and firms. This is notable in a range of influential publications, such as Braverman (1974), Edwards (1979), Burawoy (1979, 1985), Friedman (1977), Littler (1982), Marglin (1974) and Noble (1977), and from continental Europe: Freyssenet (1974), Gorz (1973), Kern & Schumann (1970), Schumann (1995), and many more.

Another important conclusion following from the above is the crucial necessity of detailed empirical studies of actual work settings for understanding stability and change, and particularly when separating rhetoric from practice. Partially founded on the necessity of being able to present more convincing evidence when challenging, rather than upholding, mainstream ideas, critical theory has maintained a level of interconnection between theory and empirical findings that has gradually been lost in parts of mainstream organisation and management studies (Barley & Kunda 2001; Thompson et al. 2005). This is not to say that all critical studies are based directly on first-hand empirical data, but there is a deep-rooted skepticism of explanatory arguments based on how things ought to look in a
perfect world or according to ideal models of phenomena such as markets and management (Fleetwood 1999).

Apart from challenging mainstream rhetoric and theory development, the focus on the dirty hands of empirical research, rather than building clean models (Hirsch et al. 1990), has spurred an interest in two related areas. First, with respect to the philosophy of science (ontology, epistemology as well as methodology) underpinning management and organisation studies, critical researchers have aimed to move beyond the previously dominant positivist perspective which still holds some support (Donaldson 1996) without accepting the endless subjectivism and relativism of postmodern ideas (Ackroyd & Fleetwood 2000; Fleetwood 2005; Sayer 1992, 2000).

Second, critical research, i.e. research that is conducted from a work perspective, and takes the situation of employees into serious account, has a long tradition of questioning and debating the role of the researchers during the research process and in relation to the people and phenomena under study (see e.g. Sandberg 1981, 1982, 1985; Aagard-Nielsen & Svensson 2006). However, unlike those postmodernists who have a tendency to refute the superior truth claims of positivism on theoretical grounds, but refrain from drawing the practical consequences of doing so, critical researchers have sometimes taken a practical role in providing analyses and developing alternatives in change programmes, sometimes in collaboration with workers, union representatives and also management. In so doing they have repeatedly been criticised for being partial or unscientific, while management-oriented researchers using similar methods usually have not. On the contrary, practical problem-solving is systematically used as a teaching and research method in business and engineering schools (see chapter 2 in this volume).

In line with the above, we would argue that the value of investigating alternatives such as Swedish working life is not only – or perhaps not even predominantly – related to theoretical explanation. Just as important is the possibility of showing that alternatives do exist and that the functioning, design and structure of working life is a political issue in the broader sense (compare Hirst & Zeitlin 1997). The current situation is of course subject to path-dependency, and possibilities for change are restricted by technological realities and the power resources and dependencies of different interest groups. But there is no determinism – things could look different, and researchers can partake not only in the emancipatory task of illuminating and constructing technical and organisational alternatives, but also in investigating strategies to make them come about.

The practical and theoretical value of investigating Sweden and Scandinavia is thus based not on their size or global economic impact, but on the fact that they illustrate the possibilities of alternative (but not necessarily better) working arrangements, as well as the limits and costs of being different in an increasingly interconnected world. This volume, then, not only helps shed some light on Scan-
Our aim with this volume is thus very much in line with its origins. Already in 1987, Åke Sandberg published the first Swedish edition of a book entitled *Ledning för alla?* (Management for All?) containing chapters on corporate and union changes, the role of corporate culture, the knowledge base of management consultants, and psychoanalytical and feminist perspectives of management (Sandberg 1987). Since then, three rewritten editions in Swedish have been published, in 1989, 1997 and 2003. There is no denying that much has changed internationally and in Sweden since the first edition was published. It was, after all, a time before the fall of the Berlin wall, the transformation of Eastern Europe and the break-up of the Soviet Union. The EU was roughly half its current size and far less developed institutionally. China had hardly begun its capitalist experiment and few if anyone predicted the current situation in the Middle East. Computers, cellphones and the Internet were still largely confined to highly limited groups of professions.

Since the first edition, Sweden has experienced two economic crises with a dotcom boom in between, joined the EU but (after a referendum) not the Eurozone, seen centre-right political party coalitions come to power three times, introduced neoliberal new public management, privatised large parts of the public sector, including schools and health care, to an extent and at a speed hardly seen anywhere else, making private corporations dominant owners in areas such as education and elderly care. Furthermore, several of the largest Swedish companies known for innovative and employee-friendly work arrangements and management systems have been sold to or merged with foreign companies.

Compared to the first edition, authors and topics have changed over time. Some chapters have been removed, several new ones have been included, and original chapters have been rewritten in the new historical contexts. However, the overall argument of the first edition still holds true 25 years later: *work matters*, and an understanding of stability and change in working life, which questions mainstream management ideas and neoliberal ideology, needs to be firmly based on empirical studies. There is little need for another book competing with the airport business books in their special genre of ideology, religion, tales of heroes and sales promotion of consultants.

**The chapters in this volume**

Although approaching the issue from different angles and putting emphasis on different issues, all chapters in this volume serve to contribute answers to the question of what characterises work, organisation and management in Sweden and the Nordic countries. True to the aims of the original publication, the authors do not discuss only the economic and productive aspects of organisation and management, but also focus on aspects such as work content, worker influence, employment conditions and the changing situation and role of the union, and
they point to the crucial role of employee qualifications and individual, group and collective power in promoting long-term productivity, welfare and sustainable development.

The following three long chapters deepen the general background analysis by focusing on change and stability in the Swedish model, trends in management, and the changing challenges for Swedish trade unions.

Part I
“Contested models: productive welfare and solidaristic individualism” by Fredrik Movitz and Åke Sandberg focuses on the issue of the extent to which Swedish, Scandinavian and Nordic working life traditionally has differed, and still does differ, from other countries. The discussion is developed with reference to the two central concepts of the Swedish model and Swedish management. Tracing developments in the meanings and rhetorical influence, as well as the practical role, of the respective concepts over time, it is argued that Swedish working life has been characterised by change and innovation, participation and union influence, consensus and open dialogue between levels and parties, autonomous work groups and value-based management.

With reference to the more recent debates about the death of the Swedish model, the authors argue that much of it still prevails in Swedish working life. But through a process of historical revision, in part by means of the present centre-right government’s efforts to change the image of Sweden at home and abroad, and the leading conservative party’s attempt to present itself as the “only true labour party”, the Swedish model and the distinctiveness of Sweden is largely hailed as the outcome of a culturally based search for individuality and style of management, more than as part of the Swedish societal model developed over many decades. Swedish managers and conservative politicians and Swedish culture are thereby given credit for conditions that, we argue, are more the result of a long historical and political process of union and broader labour movement negotiation as it is generally known, reforms and struggle, mainly during the twentieth century.

It is claimed by “revisionists” that it is the (Swedish) managers and centre-right politicians, by practising Swedish styles of management and “modernising the Swedish model”, who are to be celebrated for Sweden’s currently relatively favourable economic condition. By making such claims, it becomes possible to publicly endorse the Swedish model, while at the same time altering its meaning and to make profound practical changes that run counter to the solidaristic intentions of the models. It further becomes possible to argue that the union and collective workers’ action in general is insignificant for upholding the Swedish distinctiveness, labelling it a special interest among others.

“Management: still a fashion industry” is the theme of Torsten Björkman’s chapter on management trends and consultancy in Sweden. His starting point is the long Scandinavian tradition of worklife reform including strong labour
market parties, industrial democracy, co-determination and sociotechnical development, a uniqueness that was weakened in the 1990s to be partially replaced by concepts and fads borrowed from the United States.

Björkman discusses five fashion waves, all originating in the US Boston area: Service Management from the mid 1980s, Lean Production, originating from MIT in the early 1990s (and recently renamed and generalised into all sectors as just Lean), Time Based Management (TBM) launched by the Boston Consulting Group, Business Process Reengineering (BPR) emerging in 1993 and lastly Balanced Scorecards, which became popular in Sweden in the late 1990s. According to Björkman, these five fashion waves are still “à la mode” in the 2010s and share three common features: a focus on processes and a horizontal perspective of the organisation, downsizing, outsourcing, and numeric approaches. The fashions have further moved in the direction of more systematic approaches.

Moving from ideas to industry, Björkman argues that Swedish management consultancy over time developed into an American fashion industry, with seven out of the ten leading consultancy companies in Sweden being US-owned as early as the beginning of the 1990s, mostly due to takeovers. In explaining the American victory in management consultancy (and not only in Sweden), Björkman points to economies of scale, their international presence, the advantage for firms that shape and are able to keep up with current fashions, and the role of “gurus” and bestselling books.

In most countries, trade unions are today under pressure, being challenged by factors such as globalisation, neoliberal ideologies, the shift from industrial to service sectors, etc. Unions in many countries have been slow to respond and the proportion of union members has diminished. In their chapter, Anders Bruhn, Anders Kjellberg and Åke Sandberg discuss how Nordic unions, in spite of increased difficulties, at least until recently have been rather successful in maintaining their positions. Contributing factors are high union density, strong workplace organisation and national confederations, ample conflict funds, a high rate of coverage by collective agreements and the absence of a politically or religiously fragmented union movement.

Swedish unions are, however, facing new challenges: trends towards restricting union action rights (in part related to Sweden’s EU membership); the blurring of boundaries between different groups of workers that put union structures under pressure; employer pressures towards individualisation of pay negotiations; growing temporary employment; migrant workers; increasingly short-term and instrumental views of union membership among workers, with demands for more direct influence and returns; and new flat and flexible company structures perhaps demanding corresponding union flexibility. The authors argue that there is a need of organisational structures that make it possible for unemployed and short-term employed members to undertake meaningful union work.

A more basic challenge comes from tendencies towards a bifurcation between “winners”, with greater abilities to solve their own problems, and “losers” with
weaker positions on the labour market, causing weaker connections to workplaces and local unions, but presumably a greater need of a collective community. The unions have to develop strategies, not least concerning training, that encompass both groups. Will unions be able to develop new arenas and networks, perhaps using the Internet and social media, and outside the confines of the workplace and working hours, that attract both the winners and the losers? The authors argue that interaction between central and local union levels will remain crucial for renewal and continued union strength.

Part II

The Volvo company has long been regarded as a typical and leading example of advanced Swedish and Scandinavian socio-technical organisation and management. We therefore devote two chapters to recent transformations in this company, with its alternative forms of management, work organisation and technology – and showing the (alleged) difficulties of being different in a world of globalised production systems and markets.

In the first chapter on Volvo, Anders Boglind argues that when the advanced sociotechnical work organisation of the Kalmar and Uddevalla assembly plants was in focus during the 1980s, there was simultaneously an emphasis on corporate culture and leadership within Volvo aimed at establishing the prerequisites for both individual development and profitable businesses through participation and goal-orientation.

Despite the Kalmar plant being Volvo's best in Sweden, it and the Uddevalla plant were shut down (in 1994 and 1993, respectively) with reference to surplus capacity and a wish to concentrate production to the Göteborg plant. As a consequence, and partly due to the influential MIT study “The Machine that Changed the World” (Womack et al. 1990), Volvo’s “new” production concept became assembly lines, modified in the direction of Lean Production with some sociotechnical elements. An intense public and scientific debate accompanied the close-downs (Sandberg 1995, 2013).

In 1999, Volvo sold its car division to the Ford Motor Company, while keeping its production of heavy trucks, buses, etc. Boglind summarises the differences between Volvo and Ford as a switch from goal-orientation to manuals, from dialogue to cascades of top–down information, from management to control, from leadership to technical competence, and from dialogue-based work development to auditing and ranking. Boglind argues that Ford mentally colonised Volvo not through missions and visions, but by implementing procedures necessary to get things done which demand adaptation to a more hierarchical and functional way of acting, and thus thinking, that leaves limited room for the traditional “Volvo spirit”.

The second chapter on Volvo is written by Bo Blomquist, Thomas Engström, Dan Jonsson and Lars Medbo, researchers involved in the development of alternatives to the assembly line. They give a detailed overview of “non-traditional
assembly system designs” in which the Swedish automotive industry was at the forefront from the 1970s until the 1990s, and especially the parallel work stations in use at Volvo’s Uddevalla plant between 1989 and 2003.

Based on their own empirical material, the authors argue that the reasons given by the management to replace non-traditional assembly design with line production at Volvo (e.g. man-hour productivity, quality and ergonomics) are invalid, and that the real reasons have to do with internalisation of production systems and changed labour market situations with higher unemployment. In conclusion, they argue that the Swedish auto industry will lose the competitive advantage of constructive industrial relations and highly skilled and motivated blue-collar workers if it merely copies global and lean production systems.

Part III
The following three chapters raise various aspects of work and management in the other two Scandinavian countries, Denmark and Norway. By means of two case studies in the manufacturing and construction industries in Denmark, Christian Koch illustrates how new and often US-originated management concepts have been adapted and developed in a consensual and corporatist Scandinavian context that interlinks the enterprise, sector and state levels and with a strong role for trade unions embedding employee participation into formal workplace, regional and national level cooperation.

Koch’s two case studies reveal important differences. The IT-based Enterprise Resource Planning systems (ERP) used in manufacturing contribute to a restructuring towards global corporations. The ERP Software, developed by global companies like SAP, leaves limited room for local union and employee influence on adaptation, and the implementation of the systems tends to foster centralisation and delimit support for production teamwork.

In the construction sector, on the other hand, there is strong national level cooperation, with unions promoting Lean concepts as means for competence development among foremen, less so for workers. There are also strong tendencies towards casualisation, with mostly East European EU migrant workers – some of them illegal – contributing to downward pressures on salaries and working conditions and a tendency towards polarisation in the sector.

In sum, the specific Scandinavian management approach put forth by policymakers is under pressure from new American management concepts, EU-based legal alternatives to collective agreements and the integration of new groups of immigrant workers.

Starting with Sverre Lysgaard’s classic study Arbeiderkollektivet (1961) on the social norms of the “workers’ collective” that guide the behaviour of subordinates and their interpretation of employee conditions, and protect them from the “insatiable” demands of the “technical-economic system”, Egil Skorstad gives an overview of changes in Norwegian working life and especially relations between management and subordinates in manufacturing.
Skorstad argues that new forms of organisation, management and participation, with vertical individual contacts, have shifted power in favour of management and dissolved collective solidarity. Skorstad shows that the new flexible and lean solutions, supposed to be profitable, give customers what they want and improve working conditions due to the dependence on skilled and empowered workers, in fact often involve a deterioration of working conditions.

More frequent group and individual interaction between superiors and subordinates may weaken collective resistance at the expense of co-responsibility for organisational changes and approaches, what Lysgaard called the techno-economic ideal situation that puts management in the most favourable position.

In their chapter on work environment in Scandinavia, with a focus on Denmark, Annette Kamp and Klaus T. Nielsen take as their starting point the shift in the 1990s from a traditional view of work environment as a field for solving social conflicts through negotiation and cooperation, to a managerial field similar to others such as environmental protection, mirrored in the change of terms from “safety work” to “management of the working environment”. The authors ask whether the change represented an opportunity to avoid conflict that prevents effective improvements, or whether it undermines dynamic improvements in the absence of real incentives for management to care about the work environment.

A historical movement from the 1970s is described using three concepts of work environment management: “democracy and participation” with cooperation and negotiation between the labour market parties; “systematic OHS management” integrating work environment into the formalised management systems; and “post-industrial concepts of HR-ification” with a focus on the individual and social relations.

The three concepts, and particularly systematic OHS management, are applied to the Scandinavian experience, showing that although requirements are statutory, they are not very formalised, creating a dependence on both employee participation and management commitment for a good working environment. Low levels of compliance and implementation, however, indicate that management commitment may be lacking.

**Part IV**

We return to working life in Sweden, first with two chapters on gender, work and management. In her chapter, Martha Blomqvist discusses the consequences of new organisational structures for women in working life and why theoretical analyses of the social organisation of work tend to emphasise the continued subordination of women, while work-organisational-level analyses and concrete empirical studies often result in a somewhat more optimistic picture.

Her own studies of women in the computer and advertising industries show that companies with few women use traditional recruitment models with a focus on clearly defined positions and formal qualifications, while companies with more women emphasise informal and personal qualities. It might be that the
predetermined criteria mimic those of the already employed (men), whereas less hierarchical organisations focusing on gender-neutral outcomes make women's performance more visible.

Blomqvist argues that the separation, in research and consultancy on organisations, between studies that either ignore, or are completely dominated by, gender may prevent gender studies from being translated into practical change and the use of other kinds of organisation studies to promote gender equality. In conclusion, therefore, she argues that bringing together knowledge acquired on both sides of the organisational divide is a vital task.

Anna Wahl's chapter concerns changes in the subject of gender and management in Sweden during the last 30 years, which has shifted from “women as managers” to “management as gendered” and from “deficient women” to “male dominance". Although research in the Nordic countries started later than US research, it has managed to undergo change from an individual perspective, via a structural and power perspective, to a critical gender perspective. The research has further contributed some insight into the proximity of constructions of management and masculinity, respectively, and is slowly starting to have an impact on practice in Scandinavia: feminism has become part of the general political agenda and is no longer a “women's issue", and the distribution of men and women in managerial positions is slowly changing and increasingly being discussed from a structural perspective.

Part V
The next seven relatively short chapters aim at shedding empirical light on aspects of modern management and work in Sweden, some focusing on flexible and boundaryless work and on the IT and media sectors; one chapter deals with employee board representation.

How common are the new forms of management and flexible firms in Swedish working life, and what is their relationship to outcomes like productivity and good work? Two studies help us illustrate such empirical aspects. The starting point for Birgitta Eriksson and Jan Ch. Karlsson is Atkinson's model of the flexible firm, with functional, numerical and financial flexibility. The rhetoric says that all companies today are flexible, and that the working conditions there are better than in non-flexible firms. Based on surveys to employees and employers in 1994 and 2002, their conclusion is that neither assertion is true. Very few workplaces are flexible, and the proportion is not growing; and the work environment in flexible firms is not systematically better, although functional flexibility improves the work environment through higher control. On the other hand, class, and also gender, are found to be of considerable, systematic importance for the quality of work environments. As an example, the chance that a senior white-collar worker will have the best type of work is five times as high as that of an unskilled blue-collar worker.
Rather than taking their point of departure in the flexible firm, Christofer Edling and Åke Sandberg use a list of nine elements of “modern management” based upon surveys of literature, including both popular management books and research studies. Their analysis is based upon interviews with 2,000 workplace managers, and linked data on employees’ working conditions. Most of the elements are rather common, but very few workplaces have all nine. “Modern management” is most common in the mechanical engineering industry, and even then only a good 40 per cent of workplaces there fulfilled seven or more of the conditions. A replication ten years later shows that although the percentage of workplaces that fulfils seven or more conditions has grown from 26 per cent to 46 per cent, the number that fulfils all nine conditions, i.e. applies modern management as a coherent strategy, has not grown to more than 6 per cent, up from 2 per cent. One finds a definite but weak correlation between new management and productivity and opportunities to develop at work, as the managers see it, but there is no clear correlation with the employees’ own estimation of whether they have “good jobs” with high demands on competence and a high degree of own control.

With a focus on the public sector Patrik Hall discusses what is specific for Sweden and historical changes, especially the last few decades, where privatisations is a strong tendency in the school and health sectors. Swedish public administration is decentralised: central authorities are rather independent from government and ministers, and municipalities and cities have a high degree of autonomy. On the other hand, there is a strong centralistic social democratic reform tradition which was a driving force in expanding the welfare state in the 1960s and 1970s, but also contributed to an efficient and quick introduction of management methods coming from industry, like New Public Management (NPM), Lean Production, and also privatisations in the welfare sector; privatisations that are today a central theme in the political debate in Sweden.

In their chapter, Michael Allvin and Gunnar Aronsson discuss flexibility from the perspective of deregulation in time, space, organisation and employment. The authors show how those whose work cannot be managed in detail often work unpaid overtime and are judged by results. IT further contributes to a loosening of the temporal and spatial boundaries of work, making the individual responsible for deciding where and when to work. As employment becomes more flexible, with increased use of various forms of temporary and non-standard employment, it becomes the responsibility of the individual to get contracts renewed.

Following Lysgaard’s theory, it is argued that traditional rules do not only restrain workers, but also function as a buffer against excessive management demands, and that the growing heterogeneity causes a weakened collective which forces the individual to handle demands from management, as well as the market and customers, on her own. Individuals may respond by simply working harder, stretching time and space boundaries by e.g. taking work home, and even through “sickness presenteeism”, i.e. going to work while sick.
In his chapter, Fredrik Movitz investigates working and labour market conditions in the sector of interactive media production in Sweden at the time of the dotcom boom around the Millennium. At the time, the sector was often depicted as being highly different from other parts of Swedish working life, an image no doubt adopted and reinforced by those active in the sector. It was argued that interactive media was at the core of what was called “the new economy”, and could perhaps function as a forecast of what large parts of working life in the coming knowledge society would be like. By briefly presenting empirical results within nine areas – the labour force, the jobs, careers and labour market mobility, knowledge and learning, working hours and work-life balance, demands and control, health and sickness, economic rewards and unions and agreements – and comparing these results to the most common ideas of a new economy, the author investigates the extent to which interactive media production actually was that new and different. The results indicate that the areas in which interactive media production does resemble the ideas of a new economy mainly concern what might be interpreted as negative developments, such as increased demands, decreased security and influence. Furthermore, the empirical results which divert from the ideas of a new economy imply a lack of the promised advantages, such as economic rewards.

Journalistic work is undergoing transformation, as is the whole media sector, against a backdrop of new information technology and tougher competition among “old media” and also with “new media”, the Internet, social media and citizen journalism. What it is to be a journalist is changing, as well as what journalists do and how they do it.

In their contribution, Åke Sandberg and Helena Norman discuss journalists’ work on the basis of issues such as industrialisation and creativity, flexibility and control. Pressures for flexibility are strong, both numerical flexibility (short-term jobs) and functional flexibility, with “multijournalists” working for various media channels. Control of, and in, your work is an essential quality, and for journalists, control on the basis of intellectual property rights is an essential dimension. Based on interviews in four media companies, print and web, the authors find boundless jobs and journalists putting high pressure on themselves, and they find a polarisation between routine reporting and “star journalists”. Journalists lack opportunities for feedback and learning, and perhaps research on journalistic work could play a role here, in addition to most conventional media research that focuses on the media product and its reception.

Fredrik Movitz and Klas Levinson, in their chapter, supplement the analyses of changes in union influence outlined above by focusing on one particular aspect: employee company board representation. Based on surveys conducted in 1999 and 2009, and aimed at CEOs and employee representatives in Swedish private-sector companies, the authors investigate whether the challenges faced by the union have decreased board level influence, or if the legally-mandated right to have employee board representatives has protected the union.
The results show that Swedish CEOs remain positive towards employee board representation, especially as a means of reducing conflict, legitimising decisions and implementing difficult changes. The union representatives also view employee board representation as beneficial, both in itself and for other local union activities. But the representatives are increasingly facing a range of problems in relation to their board assignment, and there are strong indications that their actual levels of influence are decreasing. The response from employee representatives to these changed conditions has been a partial retreat to the traditional core union areas, such as work environment issues, with less activity in areas connected to economics and finance. The authors argue that although this union strategy is understandable, it can prove dangerous, with the increased attention paid to shareholder value, return on investments, and so on, following the financialisation of working life.

Part VI
After these focused empirical contributions, Sten Jönsson, in a final chapter, makes an effort to present what characterises management research in Sweden, within departments of business management, and within that framework various schools of research on management. Jönsson argues that Swedish management studies, as a field, has traditionally been founded on empirical studies, with theories and concepts mainly imported from other disciplines, which has resulted in a weak paradigm for organisation studies, and he distinguishes three different schools of thought. Inspired by Kuhn (1964), the “Göteborg school” has focused on issues such as organisational myths, decision-making paradoxes and hypocrisy. The “SIAR school”, based at the Scandinavian Institute for Administrative Research, just like the Göteborg School, had contacts with the Carnegie Mellon school of organisation studies, but came to focus more on the importance of clear business ideas in relation to complex environments and stakeholders. The “Uppsala school”, pioneered by Sune Carlsson’s investigation of CEOs’ time-use which came to inspire Mintzberg, has since focused on internationalisation and interorganisational issues.

Jönsson finally concludes that it is essential for the development of organisation research to develop methods to empirically observe what managers do at work, followed by meaningful descriptions and explanations of the processes observed.

References
The Nordic experience shows that there is no trade-off between equality and economic development. These models of productive welfare and solidaristic individualism are today challenged due to global pressures and politics of deregulation and cuts in welfare. Inequalities grow. But, in spite of their international dependence, the Nordic countries have been different for a long time, and can be so also in the future. Their “provisional utopias” change as experiences grow.

With this background Nordic Lights analyses how management trends like Lean, NPM, BPR, and Toyotism are adapted in the Scandinavian countries. What are the consequences for women and young workers, work environment, flexibility and unions? Do Scandinavian contributions to a decent and productive working life – like socio-technical work organisation and dialogue based management as known from Volvo – show that another world of work is possible?

The Nordic countries have long been beacons for people around the world eager to see workplaces transformed into spaces where working people could express their humanity and aspirations. Readers will find empirical accounts and equally rich theoretical perspectives on the team-work alternatives to the Taylorist and Fordist models and on the broader context in politics, the economy and the labour market.

This remarkable book explains the Scandinavian model of economics, justice. It shows how information technologies can be put at the service of people, improving both efficiency and well-being. Scholars, business executives, and trade unions alike should read this thorough account of solidarity economics in practice.

Manuel Castells, Professor Emeritus of Sociology and Planning, University of California, Berkeley

This superb book shines a penetrating light on contemporary Nordic developments in the fields of innovation in work, organisation and management. Åke Sandberg has produced an insightful, cohesive and very readable book, most suitable for researchers, practitioners and general readers.

Russell Lansbury, Emeritus Professor in Work and Employment Relations, University of Sydney

In recent years, economic crisis, globalization and imported managerial techniques have threatened to destroy the Nordic models of labor relations and research. The good news of Nordic Lights is that most key elements of the models remain intact, even as the region’s labor movement faces daunting challenges.

Ruth Milkman, Professor of Sociology, City University of New York

The Scandinavian model of work and economy long stood for attempts to reconcile contradictory interests. Within “Varieties of Capitalism” it constitutes a central variation. Nordic Lights describes this capitalist alternative in a multifaceted way. The exciting analysis is timely as the relevance of such alternatives is now questioned.

Michael Schumann, Professor, Senior President, SOFI, Soziologisches Forschungsinstitut Göttingen

Anyone interested in knowing more about how work in capitalist society can be organised and managed differently from the hegemonic Anglo-American model must read this book. It offers a comprehensive survey of the solidaristic Swedish and other Nordic models, their considerable strengths, but also their vulnerabilities.

Chris Smith, Professor of Organisation Studies and Comparative Management, Royal Holloway University of London

Åke Sandberg is Professor Emeritus at the Department of Sociology, Stockholm University, formerly at the National Institute for Working Life and the Royal Institute of Technology (KTH).