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The Promises and Ravages of Performance

Enforcing the Entrepreneurial Self in Welfare and Economy

Summary of the Project No. 4051-69081
National Research Program 51 “Social Integration and Social Exclusion” (www.nfp51.ch)

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Olten & Kreuzlingen, June 2006

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Content

Abstract 3

1. Introduction 4

2. Research Questions, Design and Data 5

3. Results 8

3.1. Business Fields 8

(a) The Multinational Company: GALACTICA 8

(b) The Retail Group: UNIVERSUM 9

(c) The Bank: PECUNIA 11

3.2. Performance and Exclusion 12

(a) Cultural Models of Performance 12

(b) Cooling Processes 13

(c) Subjective Experience and Strategies of Low Performers 15

3.3. Work Integration Programs 17

(a) The Virtual Company: MERCATOR AG 18

(b) The Workshop: PACKWERK 19

(c) The Youth Program: KICKSTART 19

3.4. Employability and Exclusion 20

(a) The Cultural Model of the Competent Economic Actor 20

(b) Caring and Cooling: Contradictions of Integration Programs 21

(c) Subjective Experience and Strategies of the Unemployed 24

4. Conclusions 27

References 29

Citation:
Nadai, Eva & Maeder, Christoph. 2006. Promises and Ravages of Performance. Enforcing the Entrepreneurial Self in Welfare and Economy. Olten, Kreuzlingen: Report to the Swiss National Science Foundation, NRP 51.

Abstract

In market economies access to gainful employment is the pivotal condition for economic and social integration. Therefore, our study focuses the social organization of integration into, and exclusion from the labor market. In line with a process-oriented theoretical model of exclusion as starting “in the centre” of society we compare organizations of the economic and the welfare system. Empirically our project is a *multi-sited ethnography* consisting of case studies in three businesses (multinational company, retail group, bank) and three work integration programs for the unemployed (workshop for unskilled people, training firm for office workers, youth program). The ethnographic research pertaining to organizational practices is embedded in a discourse analytic framework. Namely, it relates to governmentality studies and the debate on the “new spirit of capitalism” positing the emergence of a normative model termed *“the entrepreneurial self”.* This entrepreneurial self rationalizes his or her life according to market imperatives in order to ensure “employability”. Our study addresses the missing link between such discourse analytic diagnoses and the level of practice and sheds light on the practical accomplishment of exclusion by analyzing it as a form of work.

In the economic field we explored the techniques of handling so-called “low performers”. *Performance* is a key concept in respect to employability. Actually the evaluation of someone’s performance is the result of institutionalized negotiations between employees and supervisors. Because performance rarely ever is an unequivocal fact, the employee appraisal is an important occasion for selling one’s achievements. Hence interactive skills in self-marketing become an additional demand crucial for one’s status in the world of work. A negative performance evaluation does not automatically lead to (quick) dismissal. HR- and line managers, social workers, medical services etc. use a variety of cooling-out techniques, which fall into three categories. *Changing the person*, *changing the context*, *changing the status* Thus, integration and exclusion cannot be reduced to the opposition of dismissal versus keeping an employee in the company. While individual lay-offs for performance reasons only seem to be rare, the reference to performance, nonetheless, serves to *legitimize and individualize structural changes* such as reduction of jobs, or heightened qualification levels and the concomitant loss of unskilled jobs.

Work integration programs operate within the framework of the unemployment laws. The Swiss unemployment policies follow the principle of activation, which in turn is based on the cultural model of the *context-free competent economic actor* with the sole problem of being out of work. However, in reality unemployment is often accompanied by a host of personal and social problems and a lack of resources. Hence integration programs are caught in a *dilemma between the competitive logic of the market and the logic of social support and care*. They offer a simulation of the labor market instead of “real” work experience; thus, participation attests to participants’ employability only to a limited degree. Moreover, the programs restrict themselves to teaching self-marketing techniques for the job search. In this way, the model of the entrepreneurial self is also applied to the unemployed. This may be adequate for those with a sound basis of professional credentials, but falls short of the needs of socially vulnerable groups without the necessary cultural and social capital. Because of the model of the competent economic actor integration programs must not offer social work or other forms of social support. Yet, this denial of social problems obstructs the integration work of the programs and may in some cases actually *accelerate trajectories of exclusion*. Still, integration programs do have some positive effects. They offer a time structure, contacts with other people sharing the problem of unemployment, some social recognition and professional assistance with the job search.

1. Introduction[1]

More than thirty years ago the American sociologist Daniel Bell heralded the arrival of a new society in his bestseller "The coming of post-industrial society" (1973). He announced the governance of an expert elite in state, economy and science, which thanks to the superiority of their professional knowledge would shape and guide the fate of Western societies. What was not foreseeable at that time, however, was who exactly would lead this symphony of knowledge and expertise, and who would set the tone in a globalized world. Thirty years after his seminal book we can solve this puzzle: it is obvious, that the *regime of management* (not of managers!) has become the *leading semantics of and for the social*. Managerial rationality invades virtually all spheres of life from professional careers to private relationships up to social problems of all kinds. Managerialism can be seen as the dominant neoliberal *form of governmentality*, that is a conglomerate of techniques and rationalities for ruling others and the self (Foucault 1991; Burchell, Gordon & Miller 1991; Bröckling, Krasmann & Lemke 2000).

Managerial thinking culminates in the character of the *entrepreneurial self* who rationalizes his or her whole life according to market imperatives and knows how to seize opportunities. In the labor market adaptability, flexibility, disposability, mobility and polyvalence are prerequisites for *employability*. The individual is called upon to submit to the imperative of relentless self-improvement and to be prepared to incur risks. In order to do so s/he must get used to seeing him- or herself with the eyes of others as a product to be sold in the marketplace. Boltanski & Chiapello (2003) in their work on the "new spirit of capitalism" portray a similar character as the hero, or the „great one", of the current third stage of capitalism. This global investor's capitalism is accompanied by a corresponding "spirit", i.e. an ideology that justifies people's commitment to capitalism. The current justificatory regime (the "project-based polis") stresses employability through adaptability, mobility and, above all, the ability to build and maintain social networks.

Both strands of discourse analysis, governmentality studies and the "new spirit of capitalism"-thesis, point to a particular social construction of the self, and a model of man respectively, that centre on markets as primary modes of regulation in the economic and in the social realm. Since markets inevitably exclude those who have nothing to barter, these macro-social trends indicate structural forces excluding those who cannot live up to the model of the entrepreneurial self. The flipside of a highly competitive, radical market society is the emergence of a "virtual class" of the "dispensable" (Bude 1998; see also Castel 2000; Kronauer 2002; Paugam 1996). Structurally, the "dispensable" are the product of far-reaching economic transformations with the concomitant rise of unemployment and poverty in affluent Western societies.

The discourse analytic diagnosis of the exclusionary potential of current models of the self comes along with a grand attitude and undoubtedly has some intuitive persuasiveness stemming from our everyday experience with the omnipresence of managerial rhetoric. However, it raises two questions: First, to what extent is the proposed normative model actually effective in different social contexts? Second, discourse analysis cannot tell us how normative models translate into exclusion on a practical level.

There is a parallel blank in the sociological debate on exclusion, which lingers between macro-sociological analyses of the economic and social determinants of exclusion on the one hand, and micro-level descriptions of individual trajectories and experiences of marginalized groups on the other hand. According to Castel (2000) exclusion must be understood as a process, and as a

[1] We thank Thomas S. Eberle and Matthias Hofer from the Institute of Sociology at the University of St. Gallen for their practical and intellectual support. Matthias Hofer underwent the initiation into sociological fieldwork in this research and contributed accurate observations and ethnographic interviews as well. Thomas S. Eberle took responsability for a research grant of the „Grundlagenforschungsfonds" of the University of St. Gallen, which provided a basis for a cooperation between all the scientific partners involved.

product of mechanisms starting in the centre of society. It cannot be explained by the characteristics of the marginalized. Individual trajectories of exclusion are structured by the logic of cumulative vulnerability (Bude 1998), and in the end lead to the subjective feeling of being "superfluous" (Siebel 1997). Yet, there is no clear divide between exclusion and integration. Rather, as Simmel (1992) has already noted for the status of the poor, exclusion should be conceptualized as simultaneity of being inside and outside. For, not being part of a society is theoretically and empirically impossible (Kronauer 2002). Still, also research with a processual view of exclusion depicts the process as somehow simply "happening" in a social vacuum: there seems to be no doer behind the deed and no program to steer the process.

Our study therefore addresses the missing link between discourse and practice. We analyze the *practices of exclusion and integration in respect to the labor market, and* their *nexus to the model of the entrepreneurial self* on the meso level of organizations. Taking the idea of exclusion as a process originating "in the centre" seriously, we compare the institutional handling of those still holding a job, but being at risk of losing it with those having dropped out of the labor market, struggling to get back in.

2. Research Questions, Design and Data

In market economies gainful employment is the pivotal condition for economic integration, which in turn is indispensable for social integration. We argue, that *"performance" and "employability" are key concepts organizing access to the labor market or exclusion from it*. In modern societies the performance principle is constitutive for the normative social order. Social status is supposed to be assigned according to achievement only: Differences in material and social life chances, hierarchies in organizations and social inequalities between persons and groups in general are legitimate insofar they reflect differences in performance. This applies especially to competitive social spheres, such as the educational system or the labor market, where the meritocratic principle is the official norm. Nonetheless it is far from clear which actions or capabilities actually count as performance. While the concrete meaning of the performance concept is historically and socially variable, a common core can be discerned: basically, performance is a product of an individually attributable effort plus a socially recognized result (Neckel, Dröge & Somm 2004; 2005). In their empirical study Neckel et al. found five interpretive frames of performance, which vary between social milieus. Beyond these differences, however, they argue that generally the balance is being shifted from effort to result. Nowadays the effort someone puts into achieving a certain result tends to be less important than the sheer market value of the outcome of an activity.

Identifying the abstract performance principle, or different meanings thereof, does not tell us how performance is translated into status in a given social context, though. In this regard Boltanksi & Chiapello (2003) propose the concept of *"paradigmatic tests"* ("épreuve" in French, "paradigmatic test" in English, see Chiapello & Fairclough 2002), i.e. an institutionalized competition based on agreed upon resources for determining the social value of the involved actors. Examples of paradigmatic tests are sport contests, political elections, school exams, job interviews and the like. Institutionalized paradigmatic tests require specific contexts, rules and participants. Thus, access to the labor market, assignment of a certain status therein, or expulsion from it, is handled by economic organizations such as business enterprises and their agents. It is regulated by a series of paradigmatic tests with the job application process at the beginning, and periodic informal or formal employee appraisals thereafter. To this purpose organizations have to devise their own definitions of performance and ways of measuring it, which, as we will show, is far from easy. Competitive tests inevitably produce losers too: people who fall short of the requested norm of performance. Therefore organizations also need procedures to deal with failure – they need "cooling out"-

techniques and special agents in charge of this task (Goffman 1952). Cooling refers to the act of depriving someone of a status, while supplying him with “a new framework in which to see himself and judge himself” (ibid: 456). We may therefore say that cooling out has an exclusionary and an integrative dimension: It refers to the act of status degradation (exclusionary) and at the same time to the act of consolation by providing the individual with a new interpretive frame (integrative).

When economic organizations deprive some of their members of the employee status, they get rid of a problem themselves, but create a problem for others, namely for the dismissed persons and for the rest of society. Society, or rather the state, is now called upon to deal with the unemployed. In order to help them regain a status in the labor market a variety of integration measures have been set up. These programs simultaneously fulfill the functions of a twofold paradigmatic test and cooling out (Nadai 2006 forthcoming). In respect to their status as unemployed drawing insurance benefits, the participants have to prove themselves as “deserving” of this support. With regard to reentering the labor market they are being prepared to pass the “real” paradigmatic test of a successful job application. Since not all the participants will find a job to their liking or any job at all, the programs have to help them adapt to this sort of failure too.

To test the thesis of a spillover of the model of the entrepreneurial self from its origins in the world of business to other social spheres, we compare organizations of the economy and the welfare state. How exactly are trajectories of exclusion and attempts to reverse such processes structured in private enterprises and in welfare programs? In what ways are practices of exclusion or integration legitimized with reference to the entrepreneurial self? We regard exclusion and integration *as a form of work*, following specific procedures, performed by an organizationally defined set of “cooling agents”, and based on legitimations such as the entrepreneurial self or the “project based polis”. In addition, we have to take into account that those affected by such processes are by no means mere objects exposed to social forces, but participate in the social construction of the phenomenon under scrutiny and shape their personal identities accordingly through negotiations.

Empirically our research is designed as a *multi-sited ethnography* in several observational sites. With a research object derived from a theoretical question, and spanning social spheres seemingly “worlds apart”, we first have to construct a field for empirical study. Such a field is necessarily “fuzzy” (Nadai & Maeder 2005), i.e. without clear boundaries. Its contours emerge only during the research process as the ethnographer traces the research object across multiple sites that turn out to become relevant in the light of the research question (Marcus 1995). From a symbolic interactionist vantage point we conceive of ethnographic fields as sections of *"social worlds"* (Strauss 1984), formed by a set of actors focused on a common concern and acting on the basis of a minimal working consensus (Hughes 1971, Clarke 1991). Since we are interested in institutionalized practices and interpretations in relation to the sociological concept of the entrepreneurial self, the labor market as the quasi “natural habitat” of this character lends itself as an obvious choice. Of course the labor market is not a clearly delineated “locus of study” (Geertz 1973), but a theoretical concept about labor demand and supply. The sites for negotiations regarding access to paid work are to be found in businesses. We selected the following three companies: a Swiss based multi-national company, a large retail group operating nationwide and a medium sized bank (see table 1 and chapter 3.1.). The organizational context for welfare state interventions in respect to unemployment is the unemployment insurance administration and a variety of special programs. We studied three work integration programs catering to different groups of unemployed people: a virtual trading company for skilled clerical workers, a workshop for unskilled workers and a program for young people without formal professional credentials (see table 1 and chapter 3.2.).

Table 1: Overview of the research design*

Fields: Work integration programs	**Fields: Businesses**
• PACKWERK, a workshop for unskilled workers, 50 places • KICKSTART, a youth program ("Motivationssemester"), 100 places • MERCATOR, a virtual trading company for skilled clerical workers, 22 places	• GALACTICA, a multinational firm with headquarters in Switzerland, 80'000 employees • UNIVERSUM, a nationwide retail group, 80'000 employees • PECUNIA, a bank, 8000 employees
Data: Field notes, Documents, Interviews, Interactions	**Data: Field notes, Documents, Interviews**
• Field notes: 150 pages • Documents from each organization	• Field notes: 170 pages • Documents from each organization
• 19 recorded & transcribed interviews with staff and participants ○ PACKWWERK: 6 ○ KICKSTART: 4 ○ MERCATOR: 6 ○ Experts: 3	• 29 recorded & transcribed interviews with managers, employees, social workers ○ GALACTICA: 11 ○ UNIVERSUM: 8 ○ PECUNIA: 10
• 7 recorded interactions ○ PACKWERK: 2 ○ KICKSTART: 2 ○ MERCATOR: 3	• Recorded interactions not feasible due to field restraints
Fieldwork: participant observation	**Fieldwork: participant observation**
• 20 days fieldwork • Participant observation (work, coaching sessions between staff and clients, role plays)	• About 60 visits ranging from two hours to a whole day • Participant observation (manager meetings, manager trainings, employee appraisals, teambuilding sessions)

* All organizational names are fictitious

Data collection consisted of participant observation (including informal talk), formal ethnographic interviews and assembling relevant field documents. Fieldwork resulted in about 320 pages of fieldnotes, 48 recorded, and transcribed interviews and a vast body of documents. The analysis of all three types of our data (fieldnotes, interviews and documents) followed the principles of the grounded theory design and coding techniques (Strauss & Corbin 1990) and was complemented by procedures stemming from ethnographic semantics (Maeder 2002) and MCD analysis (Silverman 2001: 134-153).

3. Results

3.1. Business Fields

Exclusion and integration are complex, negotiated and structured processes and form a type of work in its own right. In large business companies this work falls to Human Resources managers (HRM) in cooperation with their corresponding peers, the “line managers”. In all our three case studies exclusion and integration cannot be reduced to the opposing poles of dismissal versus keeping an employee. These processes typically are performed within the boundaries of sophisticated systems of evaluating the employee’s work. HR-managers use different instruments (see case studies below), which, however, follow a similar basic logic: Performance is defined as the level of attainment of preset goals within a period of time, with a range from clearly measurable goals, e.g. percent increase in sales and loose formulations, e.g. “must better adapt to new technologies.” Behavior on the other hand is assessed by the level of conformity to standards of action requested within the companies, which are either given by a code of conduct, or just represent everyday conceptions formulated in HRM language as e.g. “communicates more open” or “does not use disrespectful language”.

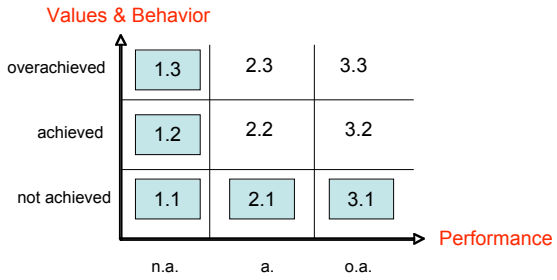
(a) The Multinational Company: GALACTICA

The GALACTICA Corporation was formed in the second half of the nineties of the last century. The globally operating multi-national firm has about eighty thousand employees and is considered as one of the flagships of technical, scientific and economic progress in Switzerland. Although only about one percent of its overall sales have Swiss origins, the company-headquarter and about ten percent of its workforce are located in this country.

Our field access to headquarters was organized together with a high-ranking HR-manager, who was interested in getting “a second opinion” on his instruments and procedures. and welcomed the opportunity to talk with “neutral” outsiders about employment matters. In this field we had access to a wide range of relevant situations. We could observe team interventions by a specialist team of organizational developers, participate in negotiations between HRM and line managers about the rankings of their staff, talk to social workers of the company, follow talks between employees considered as low performers and medical and managerial staff, interview managers and employees and had access to an encompassing stock of company documents about people’s performance outcomes. Hence this field turned out to be a very rich opportunity for our endeavor. However, for the sheer size of the company we had to restrict the study to one division. As it turned out during the fieldwork, this is not a major drawback, because GALACTICA uses a single model of performance appraisal throughout the company.

Performance is *the* pervasive theme of GALACTICA’s organizational culture. The company aims at becoming “best in class”, i.e. the top player in its branch, and consequently commits all its employees to the goal of “excellence”. There is a highly sophisticated terminology regarding people’s performance level, especially at the “high” end of the performance scale, where we find such creatures as “high potentials”, “high performers”, “must moves” and the like. Employees are assessed twice a year within a HR development cycle named DRIVE PROCESS, which is applied worldwide for employees and managers on every level, except the highest one. This model originates from the Harvard Business School with which GALACTICA cooperates very closely: every manager above a certain level must attend trainings specially designed and provided by this school for the company. The model distinguishes analytically two dimensions on a three-point nominal scale: performance and behavior. An employee can “overachieve”, “achieve” or “underachieve” the set goals on both axes (see diagram DRIVE GRID).

„DRIVE GRID“



An employee with at least one 1- rating is labeled a “low performer”. Taken together all the fields containing a number one form a capital letter L, which stands for “low” in general. Following this logic of distribution and attribution we find the high performing employees in any field with a three. The center of the matrix is the “good” or “achieving” employee who neither over- nor underachieves. However, because in this logic the development of an employee is never allowed to stop, the requirements for a certain field in the matrix shift. This means that the system is used “to raise the bar”, to increase demands for performance and behavior every year for every single employee. Therefore, the sufficient level of this year will not be sufficient next year. The principle of raising the bar is organized in a top down process: once a year the “chief executive group” (CEG, i.e. the top stratum of the company) sets the “top ten priorities” of the year. Managers then have to translate these priorities into practical goals of behavior and performance, and adapt it to the already existing claims and goals for the individual employees. This way a never-ending process of improvement is institutionalized. Finally, the substantial annual bonus payment for all members of the organization is dependent on the performance assessment and the rating achieved in the DRIVE grid. The bonus amounts to at least one month’s salary even for the lower rungs of the hierarchy and, surprisingly, also for low performers. Their bonus may be smaller, but they are only rarely deprived of the whole bonus. Each year between five to ten percent of the workforce are declared low performers. The company does not dismiss them immediately, as one might suspect. On the contrary, GALACTICA puts in a lot of time and other resources in bringing the low performers back on track. Even when the problematic status persists over more than two assessments, the effort can be impressive. The repertoire of measures comprises coaching the low performer (including mutual reviews by colleagues, supervisors, “internal customers”), intervention in team processes and structures by organizational development professionals, medical inquiries and social work. In the worst case – if everything fails – it can take up to three years of treatment of an employee until dismissal. So, despite the general emphasis on performance and relentless improvement, GALACTICA does not use a simple hire-and-fire policy.

(b) The Retail Group: UNIVERSUM

The retail group UNIVERSUM is one of the best-known companies of Switzerland – we may even say it is a Swiss institution, operating stores all around the country, selling its customers goods and services ranging from bread and butter to TV sets and vacuum cleaners, bank accounts, insurance policies and travel arrangements. Not only is the company omnipresent in Switzerland, its structures in a way reflect the Swiss political landscape: It is a decentralized cooperative composed of mainly regionally organized business units, as well as production and services units with high autonomy regarding strategic and operative decisions. Therefore, also HR practices vary between business units, i.e. the results of our study, which was conducted in one of the biggest regional units with roughly 9000 employees, cannot be generalized to all parts of UNIVERSUM with its total of about 80’000 employees. However, we know that other business units use the same performance management tools. The company has a somewhat mixed reputation

regarding working conditions. On the one hand, it presents itself as an employer with a strong commitment to ethical values and fair treatment of employees. On the other hand, UNIVERSUM has more than once become the target of media and union campaigns, and has been attacked for being anti-union. Hence, there were certain apprehensions that our study might result in yet another negative picture of the company. Yet, we gained field access via referrals to the personnel manager of the selected regional unit, and faced no major problems during our fieldwork. We were allowed to attend a two-day course for managers about the process of employee assessments, as well as several employee appraisals, and we conducted interviews with the persons in charge of various HR processes, with the social services, managers and employees.

Compared to GALACTICA the topic of performance is less dominant at UNIVERSUM and it is treated within a very different frame. First of all, performance is neither the core of the organizational culture (which is manifest in the lack of an elaborate terminology labeling different levels of performance), nor is it considered the essential part of an aggressive quest to become “best in class”. Rather, the overriding concern – the catchword we heard in almost every conversation – is with “cost reduction”. Retail business in Switzerland has come under increased pressure from national and international competitors and reacts with a fierce battle over price cuts, which consequently necessitates cuts on the cost side as well. While UNIVERSUM claims not to dismiss people to this end, it often does not replace employees who have left the company, and it is introducing technical and organizational rationalizations. Thus, the workforce of the studied business unit has decreased by about 15 percent over the last three years, which means that less people have to shoulder a growing workload. All our informants mentioned more stress and a tougher workplace atmosphere resulting form this pressure. Second, performance has not the almost fetish-like, boundless quality it is assigned in GALACTICA. Managers are instructed that, “every performance has its value”. Still, not every performance has an equal value. UNIVERSUM recognizes the problem of insufficient performance and has developed specific instruments to define, measure and sanction performance.

The formal performance review system is in use since about five years. The yearly appraisal interview consists of four parts: self appraisal, assessment by the superior, setting of individual performance goals and assessment of someone’s potential for further development. Both, goals and assessment, are restricted to a limited number of items: Managers are taught to set their subordinates three goals at most, and there is a definite list of eight criteria with a five-point scale for measuring performance, with the medium value C explicitly being designated as “goals and expectations fully met”. Among these criteria we find measurable dimensions such as “quantitative result” as well as behavior related dimensions, such as “customer focus”. Although the UNIVERSUM system also works with performance goals, the actual assessment does not directly pertain to goal attainment – there is not even a slot in the respective form to note whether goals have been met – but refers to the eight standard criteria. The appraisal results in an overall percentage value, calculated in such an opaque way, that our informants could not really explain the procedure. Still, this figure is consequential. On the positive side, individual performance has a small effect on one’s wage level, but UNIVERSUM does not pay any performance-linked bonus. And a positive rating regarding potential marks someone as a candidate for the “management development” program. In case of a negative evaluation below a certain level, the employee gets a formal warning that s/he has to improve her/his performance in a specified way within a certain period, usually within about three or four months. In contrast to GALACTICA there is a very limited range of “development” measures taken by the company to help a low performer overcome his deficits. Basically it is the employee’s responsibility to improve within the given time limit – UNIVERSUM confronts low performers mainly with disciplinary techniques. If the low performer does not meet the demands in time, s/he can be dismissed within the legal three-months period of notice. Thus, in theory UNIVERSUM pursues a rather harsh policy

and excludes low performers quickly. A closer inspection of our cases (including two people who had actually been laid off) reveals, that there is usually a longer history behind exclusionary measures such as a downgrading or a dismissal.

(c) The Bank: PECUNIA

The PECUNIA Bank with its roughly 8000 employees represents an organizational culture in transition. Legally formed as a cooperative with the intention of self-help for local trades and small businesses, it expanded rapidly in the last years, due to the temporary disinterest of the other big Swiss banks in these business fields. Some banks retreated from "business with the crowd of small earners" and left the doors wide open for PECUNIA, which has a long tradition in this particular branch of banking. Fieldwork in the bank was not as smooth as in the other two business cases. Although the chief HR-manager of the bank supported us, it turned out to be quite a challenge to produce solid data on the handling of low performance. The main reason for this fact was that the current comprehensive performance management system has been introduced only recently. In addition, PECUNIA has a decentralized organizational structure with the headquarter not having much say about personnel or other business matters in the regional and local branches. Our study is thus restricted to the headquarters with 1200 employees where we conducted interviews with managers und employees, and observed a manager training on the bank's performance management system.

Regarding performance PECUNIA uses the „Balanced Scorecard"-approach. The „Balanced Scorecard", a general management tool developed in the U.S. by two business professors (Kaplan & Norton 1997), is composed of four overarching dimensions (Financial Aspects, Customers, Internal Business Process and Learning & Growth), which are each broken down into objectives, measures, targets and initiatives. HR-aspects of the organization are attributed to the „Learning & Growth" dimension and are themselves differentiated into seven sub-dimensions. Within the framework of the seven dimensions, which are neither clearly defined nor practiced consistently, the line managers have to judge the employee on a four point scale in yearly appraisal interviews and report the outcomes to the HR-managers. Results have a certain effect on bonus payments, which are generally much lower than at GALACTICA. Moreover, boni are restricted to certain ranks. The system is currently being computerized, but the electronic version was not yet fully operational during our fieldwork. Because the first runnings of the system during a test and training phase for managers had produced too many and too confusing data, some of our informants preferred to work with the old paper based system. This version, however, was not fully compatible with the new Balanced Score Card-Approach. Neither the old, nor the new system allow for the clear-cut, two-dimensional rating in use at GALACTICA. In a similar way, processes following a certain rating are only defined in an inchoate way. Insufficient performance may have financial consequences (no rise in salary, reduced bonus), but rarely ever leads to sophisticated "development" measures, let alone to dismissals – even in cases of repeated negative evaluations. As one HR-manager stated: "You have to behave in a really abusive way to be laid off."

Leniency in case of low performance and the coexistence of different versions of the appraisal system are indicators for the overall minor significance of the performance topic. Performance is not a topic in its own right, but rather it is a token in an internal cultural conflict between "Dr. Miller's way" and a modernized management. Dr. Miller was the retired CEO of PECUNIA, who in his days managed the bank in a traditional paternalist and hierarchical way. He is remembered as a benevolent, strict and fair person, who did not need „all those shiny gadgets we are introducing now". The recently hired managers now in charge, however, come from a different organizational culture, which is practiced by the global players among banks and resembles much more the GALACTICA-model. These new managers are determined to turn PECUNIA into "a real bank", i.e. a competitive "modern" bank using state-of-the-art managerial tools. In sum, what we met at PECUNIA is

an ongoing struggle of modern managers against a cultural heritage that is not so much concerned with performance, but with harmony and doing business “the old way”. Only upper level managers are really concerned with the topic of performance, as a high ranking manager explained: “We don’t play the performance game really hard, we rather play the harmony game. We are addicted to harmony in this bank.” Consequently, performance appraisals tend to be in favor of the employee, and fitting in (i.e. friendliness, getting on with colleagues and customers, willingness to work) is more important than performance per se.

3.2. Performance and Exclusion

(a) Cultural Models of Performance

When an employer hires workers, he thereby acquires the right to use their labor. Yet, this right does not guarantee that the workers actually perform their tasks adequately. The company has to find ways to transform the purchased manpower into actual performance. Industrial sociology has identified a range of solutions of this problem of labor control, reaching from direct hierarchical or technical control to indirect forms of self-control. In recent debates it has been argued that there is a shift from external control to modes of self-regulation, whereby employees are granted more autonomy in organizing their work: The employer sets parameters such as output goals, time limits and the like, and leaves it up to individual workers or teams how they will meet the preset goals. On the one hand, this development increases individual discretion and autonomy, on the other hand, it is more demanding and may lead to more stress (Minssen 2000; Moldaschl & Sauer 2000; Voss & Pongratz 1998). Performance management systems such as those described above for the three companies studied are part of this shift in labor control. However, although the methods of individual goals and employee appraisals may look very similar, a closer look reveals significant differences. For, specific HR-systems are part of an overarching *cultural model* of performance. Cultural models are “presupposed, taken -for-granted models of the world that are widely shared (although not necessarily to the exclusion of other, alternative models) by the members of a society and that play an enormous role in their understanding of that world and their behavior in it" (Holland & Quinn 1987: 4). The cultural models of GALACTICA, UNIVERSUM and PECUNIA share a few basic assumptions, while differing in regard to others, and in respect to the overall salience of the topic. Whereas we encounter an elaborate terminology designating performance levels at GALACTICA for instance, UNIVERSUM and PECUNIA do not even have special terms for “low” or “high performers”, save any nuances in between. And while “performance” is *the* core concept for legitimizing HR procedures and wage systems at GALACTICA, the topic of “cost reduction” fulfils a similar function at UNIVERSUM. At PECUNIA the introduction of an employee appraisal system is linked to the idea of a necessary modernization of organizational culture, but the company lacks a strong legitimation pattern regarding performance.

The first assumption of all three cultural models holds that performance is something, which can be *clearly defined* and *objectively measured*. Furthermore, performance always combines the dimensions of outcome and behavior. Yet, in all three companies we found widespread disagreement about the exact meaning of the performance ratings in use. Even the seemingly simple three-point-scale of GALACTICA was interpreted differently by different informants. And most informants conceded that some aspects of performance cannot be determined unequivocally. Nevertheless, line- and HR-managers act *as if* an exact appraisal were possible, and draw on these assessments as objective facts that justify the corresponding treatment of employees. Thus, the objectivity assumption is consequential despite dissent. Second, performance is regarded as an *individual accomplishment*. The organizations are aware that success is a complex matter and ultimately depends on a collective effort. Still,

employee appraisals are based on the supposition that individuals alone are responsible for the outcomes of their work. Third, an individual's performance is believed to be the only legitimate determinant of his/her value for the company. Thus, performance should entail positive or negative *consequences*. Finally, in all three companies performance levels are assumed to follow the normal distribution across the whole workforce: there will be few "high" and few "low" performers with the vast majority of employees falling somewhere in between.

Beyond these basic features and beliefs the cultural models of the three businesses vary. A major difference pertains to the *operationalization of performance*. While UNIVERSUM and PECUNIA embrace the classical formula "performance equals effort plus result", GALACTICA tends to the concept of "performance equals market success". More precisely, the former companies assess within the frame of "work quality" (Neckel, Dröge & Somm 2005), i.e. they evaluate how well someone executes a task. In contrast, GALACTICA is primarily concerned with outcome and disregards the amount and quality of the effort leading to a certain result. Moreover, reaching a given goal is still not really good enough, but the ideal employee "tries to achieve the impossible" as the company's list of "values and behavior" states. Accordingly, performance is essentially unlimited both qualitatively and quantitatively, whereas at UNIVERSUM and PECUNIA performance goals can actually be met even though they may be increased over time. Furthermore, there is a difference regarding the desired *behavior*: While UNIVERSUM and PECUNIA stress conventional work ethic as shown in accuracy, reliability, punctuality, politeness – in short: discipline and conformity – GALACTICA demands a more active role. All employees, not only managers, are expected to think beyond their immediate job, be creative, suggest improvements – in sum: display an entrepreneurial attitude. Finally, the positive and negative *consequences* of a performance appraisal vary among the businesses studied. This pertains most of all to the link between performance and pay. As expected, the extraordinary emphasis on performance and the understanding of performance as market success at GALACTICA leads to a concept of performance-related individual reward with high bonus payments. PECUNIA practices a similar system, albeit on a much lower level. In contrast, UNIVERSUM strongly rejects bonus payments while still asserting a link between performance and salary. This link, however, pertains to an employee's position in the function-based salary system. The primary aim is "fairness": one should get the wage that one deserves according to the function one fulfills and the individual performance in that function. So, UNIVERSUM actually excludes the market principle, which is at the core of GALACTICA's reward system. Lastly, there are marked differences regarding the consequences of low performance, which will be described in the next section.

(b) Cooling Processes

If performance is believed to be normally distributed, any performance appraisal system inevitably creates "low performers" and thereby the necessity of cooling procedures to deal with this problem. In the context of the economic field we conceive of cooling out as any organized reaction of the company's cooling agents to the formally declared "low performance". However, before presenting the observed processes we have to mention a not infrequent possibility, namely, that a case of low performance is not formally registered at all. For various reasons supervisors may prefer not to label their subordinates as low performers, for instance when repeated insufficient performance of employees is partly attributed to their boss as well, or when the employee for some reasons is regarded as irreplaceable. Similarly, formal recognition of low performance may not always lead to the consequences that are formally defined for such a case. Our data strongly suggest that in this respect behavior is crucial: insufficient results may be tolerated, if the employee conforms to behavioral expectations, but perceived deficits on the behavioral dimension will very likely prompt cooling processes. From a sociological point of view for-

mal procedures provide a resource for micropolitical games (Burns 1961; Crozier & Friedberg 1993; Neuberger 1995), which may be used or discarded by powerful actors against those with less power.

Cooling techniques cover a range from integration to exclusion, where integration is defined as any action of cooling agents, which results in the employee keeping his job in the company. Exclusion designates actions that lead to the employee losing her job. These definitions omit the dimension of intention: Integration may not be motivated by considerations for the good of the employee, nor is exclusion necessarily devoid of benevolent intentions (e.g. in the case of early retirement). Note that these definitions pertain to an external observer's perspective. People being cooled out in certain manners may see things quite differently (see below, section c). Furthermore, cooling procedures can be grouped in three basic categories: techniques that aim at changing the *person* (the low performer), those that change the *context* and procedures that result in a change of *status* (see table 2).

Table 2: Cooling techniques in the economic field

Changing the person	*Changing the context*	*Changing the status*
Further education / training	Transfer to another job	Informal degradation ("niche")
"Therapy"	Team building measures	Formal degradation (with or without salary reduction)
"Coaching"	Interventions regarding supervisor	Reduction of working hours
Disciplinary action	Organizational restructuring	Early retirement "Medical solution" Dismissal

Techniques of *changing the person* are based on the assumption, that the low performer is basically willing and capable of achieving her goals, but is temporarily unable to do so. She may lack certain skills or knowledge – therefore she needs "training". She may be physically or mentally ill and in need of "therapy", or she may have some job related problem regarding behavior or perspective and be led back on the right path by "coaching", or by simply setting a time-limit and leaving it up to her to set herself straight. How much the company is willing to invest depends on the low performer's qualification, age, conformity and substitutability. The modes of changing the person are a function of the characteristics of low performers, job structure and of organizational culture. UNIVERSUM has many low skilled employees and jobs; therefore training, coaching or team building is not really an issue. If, for example, a warehouseman keeps being late for work, thus delaying the delivery of goods, there is not much help the company can offer – it can only warn him. PECUNIA also uses mainly disciplinary actions, if at all: Often the reaction to low performance seems restricted to not paying the employee a bonus.

Attempts at *changing contextual parameters* depend on the organization's acknowledgment that an individual's performance may not be entirely within his own responsibility. For instance all our informants referred to the "chemistry" between supervisor and subordinate or within a team, which may interfere with effective performance or lead to unfair appraisals. While at GALACTICA such a diagnosis may lead to transferring the low performer to another supervisor/ team, UNIVERSUM declares "we don't transfer rotten eggs". In the same vein GALACTICA "gets granular on the boss", if he repeatedly has low performers in his team, while this is hardly ever done at the other two companies. The GALACTICA practice is con-

sistent with the all-important role attributed to managers in general in this firm: Just as success is mainly attributed to them, they are also held responsible for not bringing out the best in their subordinates. The policy regarding internal transfers can partly be explained by job structure: if people are already in low skill jobs, they cannot be relegated to easier jobs, all the more so, if there are less and less unskilled jobs left.

Status changes (except dismissals) are in some respects "soft" ways of exclusion: the low performer still keeps her job or, in the case of medical problems and early retirement, the way out is somewhat cushioned (transferal to the social security system). However, a degradation means visible downward mobility and leads to loss of face insofar it is "ultimate proof of an incapacity" (Goffman 1952: 454). The same may be the case for involuntary reductions of working hours or early retirement. The latter furthermore can only be practiced, if the respective employees have the financial means to accept the income or pension reduction. Most UNIVERSUM employee simply cannot afford early retirement, while this is a preferred cooling technique for employees in their late fifties at GALACTICA.

Individual dismissals for performance reasons alone seem to be rare, they occur more often for grave instances of misconduct (e.g. sexual harassment, theft, violence against coworkers). However, accusing someone of low performance may be used to legitimize reorganizations. For instance, UNIVERSUM claims not to lay off employees in the context of cost reduction, but as one manager put it:" With a tighter budget I have a closer look at what people actually do." And such an inspection may lead to labeling someone as low performer, thus setting in motion the corresponding cooling processes. At GALACTICA even a whole department was outsourced under the pretense of not meeting performance goals. Moreover, the practice of "raising the bar" (explicit at GALACTICA, implicit at UNIVERSUM) leads to a gradual transformation of the workforce, insofar as qualitative and quantitative demands on employees are heightened continuously. In the long run those who cannot keep up are weeded out with reference to low performance, and are replaced by people with higher qualifications. In this way, structural economic change becomes an individual problem.

(c) Subjective Experience and Strategies of Low Performers

A discussion of the perspective of low performers must address their subjective experience on the one hand, and their strategies at different stages of the cooling process on the other hand. Regarding interpretations it is important to analyze to what extent people labeled as low performers actually accept this stereotype, and whether they adopt the cultural model of performance prevalent in their company as well as the overarching norm of the entrepreneurial self.

In general, our data show that the establishment of insufficient performance as stated in the formal employee appraisal process is experienced as an *affront and a severe threat to the self*. Such an explicit statement casts doubts on the self-image of the affected person, since up to that moment s/he considered him/herself a full-fledged member of the organization. Now the bad appraisal challenges this view of the self as an appropriate person for the job at hand. At this moment, "Assumption becomes presumption and failure becomes fraud" (Goffman 1952: 454). Some of our informants feel that the bad assessment comes out of the blue. This feeling of utter surprise happens more often in an organizational context where performance standards and the appraisal process have been changed only recently and somewhat abruptly. At PECUNIA for instance employees have been used to a normal state of affairs where conformity and just fulfilling one's job was enough. In their own view they have not changed, and their performance has not deteriorated; therefore they have trouble understanding why they are all of a sudden rated negatively. This goes for UNIVERSUM as well, while GALACTICA-employees are familiar with the principle of "raising the bar", thus with the idea that one is never good enough. Especially if a negative evaluation leads to more severe forms of status change, such as degradation, involuntary reduction of working

hours or dismissal, surprise turns into bitterness. These sanctions are interpreted as a *breach of unwritten loyalties,* which are regarded as binding upon both parties. Longtime employees in particular stress how many times they have worked overtime, adjusted their schedules to the needs of the firm, and generally have been loyal to the company. The typical exclamation, "And this is how they thank me for all this!" expresses vividly, that these people expect reciprocity, namely the type of open-end diffuse reciprocity characteristic for social exchange (Mauss 1990) as opposed to a purely economic exchange. Some of our informants also accused their supervisors, or the company in general, of foul play, that is of having tampered with the results of the formal appraisal afterwards or having bent the formal rules in other ways. We cannot verify these reproaches, but we interpret them as instances of the malleability of cooling techniques, and at the same time as indicators of feelings of powerlessness of employees with few resources and alternatives. In some cases the conflict led to nervous breakdowns and other health troubles. We were even told of a suicide attempt following a dismissal.

A negative evaluation necessitates actions at two points: First in the situation of the appraisal itself, then as the cooling process evolves over time. *Employee appraisals are paradigmatic contexts for the direct influence of situative factors on social structure*: They are key encounters, where the impression a person gives in an interaction has an immediate effect on his fate (Goffman 1983). *Interactive skills* are thus crucial in these situations of paradigmatic tests, all the more so, because our data show clearly that not only a person's work capacity is assessed but also her personal traits (see also Boltanski & Chiapello 2003: 209). Although employee assessment does not only take place at the occasion formally devoted to this purpose, but permanently throughout the year, the appraisal nevertheless is the moment for negotiating the supervisor's explicit judgment. Employees have to sell their performance, to parry criticism or to reverse accusations. They have to display the right mixture of acknowledging the legitimacy of the process and of rejecting concrete allegations. As we have witnessed, it matters whether a shop assistant accused of being rude to customers can persuade his supervisor that things are not what they seem to be, or, whether a cashier reproached with working too slowly simply says "I'm trying my best, but I can't help it". Very likely, communicative skills in such a formal situation are influenced by educational, social, and cultural background. At UNIVERSUM, for instance, at least 17 different languages are spoken, and with some of the employees an appraisal interview is not really feasible simply for language or cultural reasons.

After a negative evaluation has been written down and corresponding cooling procedures have been set in motion, low performers must react somehow. Their strategies fall into four types, which are not mutually exclusive in the individual case. The first is *defense*: in order to ward off the threat to the self, low performers construe *rationalizations*. The most common is the *reinterpretation of the evaluation*, e.g. by changing the reference group ("the boss thinks I'm slow, but the customers never complain"), by weighting the criteria differently ("I may be slow, but I work very accurately") or by referring to another standard of comparison, namely to a supposed average performance instead of the required excellence ("I make mistakes, but that's normal"). These reinterpretations are enabled by the complexity of all appraisal systems with their many goals, criteria and contested meanings of the ratings. Low performers may also try to *delegitimize the whole system*, by claiming that evaluations are arbitrary, that the goals are unrealistic, or that the boss just needed a victim to fulfill his quota of low performers, or to meet his own goals regarding cost reductions by getting rid of people on his "head-count". Overall these rationalizations are a clear refutation of being labeled as a low performer. Moreover, defense can take on the form of *active protest*: the employee strives for a revision of the evaluation, for having his view included in his personnel file, for averting negative consequences and the like. To this end he seeks allies within or outside the company, such as the personnel department, line managers on a higher level, social workers, staff representatives, or medical services to act as a more or less neutral party.

A second strategy is *compliance and betterment*: the low performer accepts the criticism and tries to increase his/her performance or change his/her behavior according to the demands of the supervisor. Independently of an actual change and improvement, it is important to demonstrate an unconditional willingness to better oneself. This includes most of all a readiness to flexibility (e.g. to accept geographical relocation, overtime, nightshifts, new tasks and responsibilities etc.). Very often the demanded increase in performance or the desired change of behavior cannot be measured exactly. Therefore, persuading the supervisor that one has really bettered is just as much a matter of impression management (Goffman 1959). Compliance can be restricted to outward appearance, while the employee is still convinced that s/he has been evaluated unfairly. Or it can be an expression of real self-doubt, be it a partial acknowledgment that one cannot cope with all the demands of the job, or be it a fundamental uncertainty ("Am I really the right person for this job?"). The latter case, which we only encountered once at GALACTICA, may be interpreted as acceptance of the norm of the entrepreneurial self: The person does not doubt the ideal, but sees himself as failing it.

Third, there is the (partial) *exit* strategy. The low performer is disappointed by the company and seeks alternatives or, respectively, is willing to accept the exit options suggested by the employer such as early retirement, referral to the invalidity insurance, reduction of working hours. Hence, exit is not always a voluntary strategy: The persons concerned may feel that accepting the company's plan is the only way to avoid dismissal and save face. Exit on one's own terms, i.e. looking for another job, was rare in our sample. Of course this strategy depends on one's chances in the labor market: Young, mobile people with good professional qualifications are more likely to find another job than people from their fifties onward, unskilled workers or immobile people (e.g. with family). Furthermore, the choice of exit by a change of job depends on the working conditions in one's company relative to others in this line of business, and on the overall situation in this sector. Both GALACTICA and UNIVERSUM employees claimed that their company offered relatively good conditions, and the latter were well aware that the whole retail sector is currently reducing jobs.

Finally, we observed a strategy of *passivity and "sitting the problem out*". The low performer tries to keep a low profile, waits for the problem to somehow dissolve by itself and hopes for the mercy of supervisor and employer. This strategy is practiced by long-time employees trusting in the reciprocal loyalties mentioned above, by people approaching retirement (especially at GALACTICA, which has a policy of not dismissing long-time employees in their late fifties), and by people with few "marketable" resources or additional handicaps (e.g. being dependent on a part-time job for health reasons). In addition, sitting the problem out passively is also conditioned by habitus (Bourdieu 1989). Part of this pattern is a partial or complete ignorance of the danger inherent in the negative evaluation. Our case histories show that generally cooling out trajectories evolve over a rather long time with alternating periods of low performance and intermittent "improvement". Therefore, if people feel a negative appraisal comes out of the blue, they may just have misread or ignored the signs. As one social worker described, many clients do not take the supervisor's negative evaluation seriously, but cling to their own self-image, thus blocking out the power differential involved. Consequently they do not make an effort to improve. This "irrational" behavior may be interpreted as a frame error (Goffman 1974), and it may be explicable as failure to adapt to organizational changes such as new evaluation systems or heightened performance standards: Because they have been rated as good enough for years, they see no reason to change.

3.3. Work Integration Programs

In Switzerland the principle of "activation" – best captured in the German slogan "Fördern und Fordern" (foster and demand) – has been introduced into unemployment politics with the second revision of unemployment laws (AVIG: Arbeitslosenversicherungsgesetz) and the corresponding insurance (ALV: Arbe-

itslosenversicherung) back in 1995. Since this revision the unemployed are obliged to enhance their "employability" or else they lose their benefits (Magnin 2005). Furthermore, a number of other provisions have been tightened considerably, for instance the rules regarding acceptable jobs or geographic mobility (requirement of up to four hours commuting per day). The insured person has to prove his or her placeability mainly by active job search, which is regulated in detail. Benefits can be curtailed in case of a so-called "self-inflicted" unemployment, that is if someone has resigned from a job voluntarily or the dismissal by the employer was caused by the employee's fault. In short, the AVIG seems to be based on a certain distrust of the unemployeds' own wish to find a job, which is why they have to be forced to find a job at any cost as soon as possible – the "demand"-side of activation has been put into practice very consequently.

On the "foster"-side activating unemployment policies comprise a variety of educational, training and work schemes to enhance employability. Work integration programs are funded by the ALV, but are operated by private institutions within the legal framework of the AVIG. The basic idea of these programs is to provide the unemployed with work experience, so they do not lose their professional abilities and keep in touch with the world of work. However, the programs are not permitted to compete with the for-profit economy, which leads to a number of problems and hampers their effectiveness (see 3.4). Participants are referred to a program by their regional unemployment office (RAV: Regionales Arbeitsvermittlungszentrum) – sometimes on their own demand, sometimes involuntarily under the threat of losing benefits for a certain period ("EInstelltage"). During the program they still have to look for a job and report to the RAV regularly. Maximum stay in a program is normally six months; under certain circumstances this period can be prolonged. We studied three programs for different target groups that are all operated by a public utility foundation named "WEICHENSTELLUNG".

(a) The Virtual Company: MERCATOR AG

Although unskilled workers are hit by unemployment much more often than people with solid vocational training, the profound transformations of the labor market affect the latter as well. At the turn of the century labor market experts became aware of a growing number of unemployed with vocational and professional credentials. This led to the development of new types of programs catering to this new category of unemployed, for instance individual coaching, internships in qualified professional functions and training firms. MERCATOR AG belongs to the category of training firms, and therefore is considered an educational program. It is a trading company, run by three supervisors with management and counseling background, and offers 22 workplaces for unemployed office workers (including a few places for "specialists" such as graphic designers and computer specialists). MERCATOR deals in a variety of regional products and services, which are advertised in a glossy prospectus. The participants, who are called employees, are paid virtual salaries, buy and sell virtual products from and to other just as virtual firms with virtual money. They simulate all the necessary work processes to operate a trading company und carry out special projects. "Everything is normal", program staff claim, "except the goods we're trading are virtual." Many participants do not share this view, however, but argue that, "the economy works in a completely different way". For them working in a virtual world seems to make no sense and undermines their motivation. Hence keeping up morale is a constant problem for the staff. In addition to work practice the program offers short courses, mainly covering the use of prevalent office software or general topics, e.g. how to deal with customers on the phone. Furthermore, e-learning software is available for self-study, but it seems that participants rarely use these tools. The third program element consists of supporting participants in their job search. This is done by individual advice and coaching, as well as by group events such as role-plays of the job

interview and the like. Finally, the unemployed can use part of their work time and the necessary infrastructure for their job search.

(b) The Workshop: PACKWERK

While MERCATOR was designed for the "cream of the cream" of the unemployed (i.e. for skilled office workers), the workshop PACKWERK is situated "on the simplest level". The program is run by four staff members among which is one social worker, who is actually not employed in this function. The others are administrative personnel and a foreman. PACKWERK offers fifty factory-like workplaces for unskilled people. Very few clients have any formal vocational training; the majority is foreigners, many of them with little command of the German language – a few are even illiterate. Participants perform easy manual labor, such as packing samples, separating different recycling materials, or assembly work. PACKWERK successfully sells its production to non-profit organizations and to private companies in the for-profit sector. Although people could change workstations during their stay, many prefer to stick to one job the whole time. While this type of work does not require special skills, it nonetheless demands concentration and precision. This is one reason why staff emphasizes the importance of discipline. Moreover, because the majority of participants are migrants, teaching "the Swiss work discipline" is considered a vital function of the program – notwithstanding the fact that many of these foreigners have worked in Switzerland for many years. Regulations regarding working hours, breaks, places for smoking, the use of cell phones and the like are pinned to the walls and people have to clock in and out. The multicultural workforce also requires a careful composition of teams, so team members are able to communicate and possible tensions are kept to a minimum. Language problems and the generally low level of education of participants restrict the educational part of the program to a minimum. Courses consist basically of an explanation of PACKWERK-rules and AVIG-regulations, of demonstrating safety instructions and advice for the job search. However, the latter element is much less developed than at MERCATOR. Vacancies in unskilled jobs are often filled via personal contacts or or phone calls in response to an advertisement, while elaborate written applications are less common. Nonetheless, PACKWERK participants get one-to-one assistance in writing applications and there is also individual "coaching" of sorts. However, this kind of support is often not so much concerned with the job search, but in some cases amounts to finding alternatives to a reintegration in the first labor market, or treating other aspects of clients' personal situation. For many PACKWERK clients have chronic health problems, are in financial trouble, in a family crisis and so on. Even though the ban on social work holds for PACKWERK too, the composition of the clientele is such that staff cannot completely ignore social and personal problems. One well-known category of clients, for instance, are the "program hoppers", i.e. people who are transferred from one branch of the social security system to the next and back. For example, unemployed welfare clients regain eligibility for unemployment benefits after a certain period in the work program. Consequently, staff maintains close contacts to other relevant institutions of the welfare state such as the invalidity insurance, social services and the like. Thus, the program sometimes functions as a test for candidates for an invalidity pension by offering an opportunity for a close observation of a person's physical capacities.

(c) The Youth Program: KICKSTART

Special youth programs, officially called "motivation semester", were created in the mid-Nineties as a reaction to the rising numbers of young people without apprenticeship training positions. They are part of a booming, and more and more diversified offer of interim solutions between school and labor market entry (Heinimann 2006). While most of these

transitional solutions belong to the educational system, e.g. the popular voluntary tenth school year, the motivation semesters are part of the unemployment insurance system and herein belong to the work integration programs. Hence, they attach more importance to placeability than to education. There are different paths into this type of youth program: referral by the RAV, by welfare offices, by vocational schools and vocational counseling institutions. These different paths lead to inconsistent, even somewhat arbitrary practices regarding the amount of benefits the young people draw. Moreover, because the regular amount of CHF 450 is supplemented by expenses of CHF 350-400, participants get actually more money than first year apprentices (ibid.) – another paradoxical aspect of integration programs. There are basically three types of motivation semesters: the first type combines counseling, some schooling and practical work experience as a trainee in the first labor market – KICKSTART belongs to this category. Another type separates a period of schooling from a work phase. Lastly, in the third type work experience is gathered in special workshops run by the programs themselves, i.e. in a simulated economy just as described for MERCATOR or PACKWERK. At the time of our fieldwork KICKSTART had about 100 participants; most of them with a poor educational background (from the lowest level of the regular school system or from various kinds of special schools). In addition, they show "individual quirks", as the program manager put it. He calls his clients "SOS – Schüler ohne Stelle" [students without a job]. The "SOS" shows that KICKSTART acknowledges more than the programs for adults that unemployed youth need help to find their way into the labor market. Although participants are also expected to assume personal responsibility for their fate, and staff see their task mainly in "strengthening the adolescent's personality", counselors are nevertheless ready "to fix something up" for them. "Fixing something up" refers to active assistance with the search for a traineeship in the first labor market: Staff arranges contacts to employers and recommends individual youths to employers. Six months traineeships during three to four days per week constitute the work experience part of KICKSTART, the other elements being individual counseling and school. Since KICKSTART-youth have to enter the labor market with very poor formal credentials, the traineeship is an opportunity to directly demonstrate their practical abilities and their willingness to work to a potential employer. During the program participants are expected to develop realistic plans for their career with the foremost goal of finding an apprenticeship training position. Staff helps them clarify their aspirations, but decidedly refuse to take on the role of proper vocational counseling. Likewise, the educational part of the program is "strictly not quailfying". Participants attend classes one day per week (an additional day is facultative). Tuition, often project-based, aims at training social skills and learning techniques.

3.4. Employability and Exclusion

(a) The Cultural Model of the Competent Economic Actor

In the 1990s profound transformations have been taking place throughout Western welfare states. The "activating" or "enabling" state is superseding the "caring" or "providing" state. While the former aimed at providing its citizens a comprehensive safety net for social risks and at the same time at reducing social inequality, the latter limits its function to guaranteeing a minimal infrastructure (Vogel 2004). The state provides opportunities, but it is the responsibility of the citizens to make use of them. In the domain of labor market policies the principle of activation aims at "*employability*": The responsible citizen has the moral obligation to permanently adapt to the ever-changing demands of the labor market. This applies even more to those having failed to live up to this ideal and having lost their job. The unemployed must not just "passively" collect their unemployment benefits,

but are expected to do everything to enhance their marketability in order to find a new job. Ultimately the concept of activations rests on the *cultural model of the competent economic actor*. The unemployment law and the practices of the institutions working in its framework, such as the RAV and integration programs, are based on the assumption of a context-free economic actor with the sole problem of being temporarily unemployed. This actor is modeled as socially integrated, yet free from social and familial responsibilities. Therefore, such a person is highly mobile, flexible and possessing marketable skills and professional quailfications. In sum, this actor is "the disembodied worker" (Acker 1991) existing only in regard to the job. As such this fictitious worker is implicitly male, and, as we might extend Acker's argument, he is also free from the marks of class or ethnicity. In reality, however, integration programs for the unemployed are confronted with people burdened with social responsibilities and problems. Many of the participants of the three programs we studied feature at least one, but likely two or more of the following indicators of social vulnerability: alcoholism, drug abuse, domestic violence, psychiatric diagnoses and chronic illness, traumatic migration histories, severe forms of stutter and other stigmata, illiteracy, broken homes and relationships and the like. In these cases the lack of work is but one, and perhaps not even the most salient problem these people have. Yet, institutions dealing with the unemployed address only their job-related problems. Program staff was well aware of the need for social support, but the legal and financial constraints of the AVIG inhibit social work within the programs. Thus, the chances of recognizing and treating social problems early and stopping or reversing negative trajectories are missed. On the contrary, in their present form integration programs may even *exacerbate* the *social vulnerability* of some of their clients.

On the one hand, the model of the competent rational actor leads to the denial of social problems. On the other hand, it is compromised insofar the unemployed are not really trusted to act rationally and responsibly. The politics of activation appear in the guise of a contract between two equal partners. Society – in our case represented by the ALV – supports its needy members by means of financial assistance and integration measures. In turn the recipients of this assistance are expected to assume their responsibility by making an effort to enhance their employability in order to find a job and overcome their dependency on assistance. They are not free, however, to choose means and ways for improving their chances in the labor market according to their own needs, let alone to define their own integration goals. Instead it is the unemployment administration that decides for them and imposes sanctions out of all proportions (Duvanel 2002) in case of noncompliance, i.e. if someone refuses to participate in an integration measure. Yet, if the supposedly rational economic actor is not allowed to decide on his or her own course of action, activation degenerates to *coercion* and integration to cooling out.

(b) Caring and Cooling: Contradictions of Integration Programs

The model of the competent actor is at the roots of a basic *contradiction between the logic of the market and the logic of care* within unemployment programs. Since the problem to be solved is framed as a momentary lack of job, which can be solved by improving people's employability, the programs are oriented towards the supposed demands of the labor market. In this market logic they would have to offer the most realistic work experience in order to function as a test of participants' employability. For this purpose they would have to organize the work according to the standards of the economy, stress performance, use state-of-the-art work equipment and so on. On the other hand, integration programs are an offer for those unemployed who, for whatever reasons, have failed to find a job on their own. Logically this calls for some form of social support. Therefore, the programs would have to consider their clients' weaknesses, adjust their standards accordingly and offer assistance with

social and personal problems. In fact, the programs have shortcomings on both dimensions. As already mentioned, the need for social support is largely ignored. Interventions beyond work-related problems do happen occasionally, but they are left to the staff's discretion and to their individual abilities to handle such tasks. The logic of care is basically reduced to assistance with the job search (see below).

But the market logic is also pursued only partially. Paragraph 64a of the AVIG stipulates that work programs are to be operated in the public or private nonprofit sector and must not compete with the for-profit economy. This legal regulation severely limits the scope of the programs because it undermines the very concept on which they are based, namely the idea to offer work experience coming as close to the conditions in the first labor market as possible. As a consequence of this paragraph the programs are actually restricted to a *simulation of the labor market*. The gap between the real and the simulated world is most acute in the virtual company MERCATOR. Nonetheless, the other two programs are faced with similar problems. While participants package, strip down and assemble real goods at PACKWERK and the program even works for private companies in the for-profit sector, it has to hand in any profits to the Seco (State Secretariat for Economic Affairs), which is funding all the unemployment programs. Thus, the first and foremost driving force of an enterprise and economic action, i.e. the motive of monetary gain, is absent. In the youth program KICKSTART participants work in training jobs in the real economy without this being a formal apprenticeship. The employer does not have to pay a salary, because the participants still get their unemployment benefits. Thus, the young people's work does not have an economic value. Finally, unlike employers in the first labor market work programs cannot simply select the most capable workers. Although they can and do occasionally reject candidates, they basically accept almost anyone the RAV assigns, even persons with personal and health problems. Accordingly, the required performance level is much lower than in the labor market, which in turn prompts the program to adjust its demands regarding workload, working hours, precision etc. In sum, since integration programs are cut off from the real labor market, the work of program participants does not constitute a socially recognized and individually attributable performance. Therefore, program participation cannot serve as a paradigmatic test, whereby actors demonstrate what they are capable of accomplishing.

The actual function of integration programs, we argue, is that of a *conformity test*. By participating the unemployed can demonstrate that they are still both *willing* and *able* to work just like anybody else. In public and political discourse the unemployed as a group are periodically suspected of being lazy and living on the honest citizens' money (Oschmiansky, Schmid & Kull 2003; Uske 2000). By accepting to participate in an integration program the unemployed person proves that s/he is not a scrounger, but still shares the work ethic of the general population. Apparently the RAV sometimes assigns people suspected of not being willing to work to integration programs. At the same time participation shows that the unemployed is still capable of maintaining a regular work discipline. In this way, "successful" attendance marks the *bottom line of employability*: the difference between still being a candidate for reintegration into the labor market and being permanently "expendable".

The programs not only offer the opportunity for demonstrating socially desirable behavior – they also *generate conformity*. This happens most effectively in formal and informal counseling and coaching activities. The programs translate the task of furthering employability into interventions consisting of three sequentially ordered main elements, namely exploring/assessing, improving and marketing the self (see Table 3).

Table 3: Self improvement techniques in the integration field		
Exploring the self	*Improving the self*	*Marketing the self*
Assesments of strengths and weaknesses	Vocational skills	Refining letters of application
Clarifiyng job aspirations	Enforcing discipline (punctuality, accuracy etc.)	Rehearsing job interviews
		Broadening job search strategies

In a first step the participants have to *explore* their professional aspirations as well as *assess* their strengths and weaknesses. The underlying assumption is, of course, that work is not just about bread winning, but about self-fulfillment too. This call for reflecting on one's professional wishes implies an image of the labor market as a market of possibilities for everyone. The idea of work as a career and vehicle for self-fulfillment, moreover, is clearly a middle class concept, which does not correspond to the experiences and options of unskilled workers. Nor, for that matter, is it really adapted to the participants of MERCATOR, who have better formal qualifications, but nevertheless come mainly from lower level positions. In a way exploring the self is an adequate task for the adolescent participants of KICKSTART. However, also here we can observe a constant tension in the staff's work: The counselors encourage the young people to find out what their vocation might be. Yet, they often have to dampen immoderate aspirations, because many participants lack the necessary educational credentials for their dream job. The same tension between encouragement and cooling out becomes apparent in MERCATOR, while the model of exploring the self in regard to professional choices is virtually absent in PACKWERK. Irrespective of the specific target group the concept of the customized job actually contradicts the harsh reality of AVIG rules regarding acceptable jobs. While the programs implicitly hold the view of work as self-fulfillment, the unemployment law clearly enforces work as breadwinning: Work life is not about realizing one's dreams, but about having a job at all.

The second step, *improving the self*, aims at enhancing employability. However, the programs do not offer formal vocational training, but basically refer to the formula "learning by doing" and the enforcement of work discipline. So, improving the self actually merges with the third step, *marketing the self*. Even though staff is not allowed to directly place participants with employers, supporting the job search is the foremost part of the programs. People get advice on what searching channels to use, how to write job applications, how to follow up applications and how to behave in job interviews. Advice may be given in informal talk, in formal one-to-one coaching sessions or in role-plays. In all of this participants are once again confronted with a contradictory message. On the one hand they are taught that authenticity and individuality are decisive in getting a job: First, an application has to stand out among a mass of others. Then, one has to be convinced of the company and the job, in order to be able to project enthusiasm and persuade an employer, that one is the right candidate. On the other hand, the instructions the programs offer amount to standardization of application documents and behavior. Altogether the programs' interventions do not improve the "product", that is the unemployeds' occupational skills and capabilities, but only the

"wrapping": the way they market themselves in the job application process. This may be sufficient for qualified workers; it cannot make up for the severe educational, language and social deficits of many KICKSTART- and PACKWERK-participants. Moreover, concentrating on self-marketing while at the same time projecting the image of an open labor market with possibilities for everyone induces those exposed to these messages to perceive themselves as deficient. Insofar employability is conflated with actually having a job, not having a job is taken as proof of not being employable: Those who despite the program's efforts still cannot find a job, simply have not worked hard enough at their self-improvement. Once again, structural problems of a changing labor market inducing unemployment (e.g. the lack of unskilled jobs) are transformed into individual problems.

(c) Subjective Experience and Strategies of the Unemployed

When an unemployed person participates in an integration program s/he is subject to two regimes: that of the RAV to which s/he still has to report regularly, and that of the integration program. The unemployed has to follow the regulations of these institutions and s/he is exposed to their normative frameworks. As we have shown these messages are contradictory: The RAV functions primarily as an agency of control and discipline (Magnin 2005). It adheres to the model of work as breadwinning and urges the clients to find and accept a job at all costs. The integration programs act on the notion of work as having also a dimension of self-fulfillment and encourage the unemployed to find a suitable job. Nonetheless, they cannot suspend AVIG rules and have to take the clients' often insufficient resources into account – hence they also have to practice cooling out and to take on a disciplinary role. Moreover, as demonstrated above, the constraints of the AVIG install a gap between the conditions of the integration programs and those of the first labor market. How do the participants reconcile the contradictory demands resulting from their status as beneficiaries of the unemployment insurance and as job seekers in the first labor market?

Participation in educational and integration measures is compulsory. If the RAV refers someone to a program, non-compliance is sanctioned with temporary cessation of benefits. Therefore, many participants feel they have been forced into the integration program. Accordingly, they are skeptical as to the usefulness of the measure. This initial skepticism is reinforced when people realize that they have been sent to a simulated economy, a parallel world of work, which soon seems somehow "unreal" to them. Some of the MERCATOR participants, for example, claimed they had not been aware the company does not operate in the real economy until they started working there. With the involuntary participation on top of that this creates *problems of meaning, motivation and cooperation*. The participants often feel that their work does not make sense, that they do not learn any marketable skills, that they do not make useful contacts and that they do not really profit from the program. Again, those who lack a sense of meaning are not committed – sometimes to the point of refusing to cooperate. In fact, keeping up morale is one of the main problems for staff, because a few unmotivated participants may severely hamper the whole operation. We must stress, however, that problems of meaning are not an inevitable result of the paradoxical structure of the programs. Rather, participants construct meaning or meaninglessness themselves according to their personal situation. In any case, motivation and commitment is a two-edged sword: While even simulated enterprises are dependent on a minimal commitment by their "employees", people must not be committed too much, because the real purpose of their attendance is to find a job and leave the program as soon as possible. As a consequence of the special conditions in the programs as compared to the real economy, some people find their program "job" much more appealing than any job they could ever realistically hope to find outside. As a PACKWERK worker noticed: "No noise, no dirt, no stress and sitting all the time – it's o.k.!"

The function of the conformity test was the single most important benefit the participants attributed to the program. As one man explained: “At least employers can see, that I’m not just hanging around but I’m doing something.” Even if they did not believe that the program had much improved their chances to find a job, they still hoped that participation had at least stopped their downward trajectory by demonstrating that they still functioned normally and could still be valuable workers. On the other hand, some feared that working in an unemployment program might constitute a stigma in its own right. As the man quoted above continued: “Many people don’t know these programs. They think this isn’t a smart thing, so if he’s in a program he’s probably not a smart guy.” Therefore, some people go to great lengths with their stigma management (Goffman 1963) and even hide their “workplace” from their relatives and friends.

Although skepticism and negative feelings are widespread among participants we can observe different interpretations and strategies of dealing with the situation. In a first stance the unemployed see *program participation as a (last* or *first) chance*. This may be the case for older people after a long period of unemployment. Apart from any other characteristics they are doubly handicapped in the labor market: by their age and by the sheer duration of unemployment, for after a certain time long-term unemployment becomes a stigma in its own right. For young people, who cannot find a job after having completed school or vocational training, the program may appear as a first chance to get work experience. Based on the success rates of the programs, the people in this group hope that participation will provide them with a reference for job applications. This hope is nurtured by sometimes unrealistically positive depictions by the RAV agents. The staff of the integration programs complained, that people often have exaggerated expectations, because RAV agents pitch the programs to the unemployed by painting them in bright colors. If success fails to appear, disappointment and discouragement set in. Yet, for the long-term unemployed the program participation also has a “therapeutic” effect. After a demoralizing period of fruitless attempts to find a job, they are once more integrated in relations of cooperation and social recognition. Some people perceive the sheer existence of such programs as evidence that society has not let them down, but still cares. Moreover, the program gives them a time structure and thus a sense of normalcy, as this MERCATOR client explains: “When I get up at 6 and drive to work at 7, in the stream of all the others going to work, the world is alright again.” With the program having such a basic function, the participants are ready to ignore its paradoxes and accord it with subjective meaning. They emphasize that participation was their own choice, and they are highly motivated, applying their habitual work ethic to their program job (in one case to the point of working overtime!). They appreciate the staff’s advice regarding job search strategies, albeit taking it with a grain of salt. “After I have written 400 applications my way, I might as well write the next in a different style for a change”, remarked an interviewee, only to continue: “but when employers see my age [59], they don’t bother to look at the rest.”

In contrast, a second pattern is *refusal*: these unemployed feel they have been assigned to the program involuntarily – either because the RAV doubted their willingness to work, or thought that they had additional personal problems and needed help. Yet, as noted already, the programs do not really provide social support. If, on the other hand, they have to take on a disciplinary function, cooperation with clients is hampered. When participants perceive the program as a disciplinary action they experience it as an unreasonable demand and refuse to get involved. Just as those who see the program as a chance construct a subjective meaning, this group finds reasons why participation does not makes sense. They insist that the real economy functions completely differently, that they cannot learn anything, and that references from a program for the unemployed have no real value in the first labor market. If refusal is demonstrated openly, this defiant behavior has effects on the whole group by creating a bad atmosphere, or by impeding cooperation. Moreover, the perpetrator may risk expulsion from the program and hence a temporary cessation of unemployment benefits. Another strategy of refusal, therefore, is a less offensive kind of passive evasion: The participant conforms superficially, while ignor-

ing any staff attempts to make him adopt a different interpretive frame or really change his behavior (see Maeder & Nadai 2004 for the same behavior in welfare clients). Involuntary participation is but part of the explanation of the pattern of refusal, for the sense of having been forced is itself a consequence of subjective interpretations of one's situation. It arises when the unemployed "misunderstand" the role of the unemployment agencies: When they expect hands-on assistance with the job search, e.g. direct placements with employers, but only get recipes for self marketing and the concomitant ideology of personal responsibility. Yet, integration programs must not place people, even though this would in some cases be the most efficient way of getting people back in the labor market, for instance for people with very little social and cultural capital. Most notably, those who presume they will not be able to find a job on their own expect direct help and react with refusal when this expectation is frustrated.

Finally, we observed an *ambivalent attitude with a strategy of "sitting it out"*. Participants with this attitude do not expect much of the program, but neither do they reject it outright. They clearly realize the discrepancy between the simulated and the real economy and conclude that there is no point to invest much energy in their program job. Nevertheless, they are ready to get involved with those parts of the program, which fit their personal problems and needs. For instance, an unemployed who is invited to several job interviews, but in the end never actually gets the job, may respond to the opportunity of rehearsing interviews in role-plays. Yet, the same person may dismiss the work experience or the training as useless. Likewise these participants are ambivalent regarding the program's reference function. They are well aware that participation can only prove their willingness to work, but cannot really give evidence of their individual abilities. Thus, it makes sense to sit out the program passively, for better performance at this job does not translate into better chances in the labor market. Some people, therefore, make only a minimum effort, skip work under the pretense of having a job interview, cheat tests in order to get the respective certificate and the like. However, ambivalence sometimes pertains to the actual work itself: For some people the work in the program is more attractive than the jobs they can get in the labor market. It may be easier, as in the case of the PACKWERK worker quoted earlier. Or it might be more varied and challenging which was the case for a few MERCATOR participants, whose previous jobs consisted of more routine tasks. In this regard the program is experienced as a kind of positive time-out from dull jobs. From this point of view the programs imply yet another paradoxical effect: They introduce some of their clients to a type of work and conditions of work these people will most likely not obtain again in the labor market. Ambivalence and a strategy of sitting it out can be found among unemployed people with unstable occupational careers and low professional aspirations. For them the program is just another way station with some advantages (e.g. low performance pressure) and some disadvantages (e.g. low income, stigmatization). Furthermore, ambivalence occurs among those who interpret unemployment as caused by economic factors only. Consequently, they just wait for better times in their branch of industry and are not prepared to reorient themselves professionally, or to acquire new skills (which, in their view, the programs cannot provide anyway).

At any rate, none of these patterns is associated with normative integration, i.e. in general the participants do not adopt the interpretive frames and concomitant recipes for action proffered by program staff. Above all, they do not accept full responsibility for their unemployment – such a view simply contradicts their own experiences, e.g. the lack of jobs in their branch or that their job applications are rejected because of their age and so on. Furthermore, they do not regard the labor market as a market of opportunities for everyone. Instead they perceive structural barriers to flexibility: the demands for formal credentials, employers' contradictory expectations regarding age and specific professional experience for a job, the lack of part-time jobs and so on. Although there is a certain readiness to try some of the advice regarding self-marketing, in their job search people basically proceed as before. After all the programs do not propose radically different ways: despite the call for "original" and individual presenta-

tion, job applications have pretty much a standardized format.

4. Conclusions

(1) Governmentality studies and Boltanski & Chiapello's analysis of the new spirit of capitalism both posit the rule of the "entrepreneurial self" as a justificatory regime pervading all societal spheres. Both lines of research rest on discourse analysis, a considerable body of respective data consisting of management guidebooks. Boltanski & Chiapello explicitly argue that capitalism as a basically absurd system is especially dependent on the identification of managers, which, moreover, cannot be forced but must be won by a convincing ideology. This argument justifies the focus on management textbooks, which in other analyses (e.g. Bröckling 2000; 2002), is often left unexplained. Our ethnographic study of economic and welfare organizations corroborates the omnipresence and omnirelevance of this normative model. The entrepreneurial self can not only be found in its natural habitat, the world of business, but also roams in the institutions of the welfare state, in the case at hand, in integration programs for the unemployed. We discerned clear imprints of this normative model in the practical handling of people, whose labor market participation is at stake. In the economy it furnishes the ideological foundation for modern, indirect modes of labor control by means of performance goals and assessment. In unemployment programs it leads to an emphasis on refining self-marketing techniques at the expense of strengthening or expanding marketable occupational skills. However, we also found important *contextual variations* of the model and a *social differentiation in the application of the norm*. The three businesses studied adhere to different cultural models of performance, which approximate the ideal to different degrees: from an almost paradigmatic adoption and respective implementation in Human Resources tools (GALACTICA) to an only superficial lip service to the model in addition to a slightly modernized form of disciplinary labor control (UNIVERSUM, PECUNIA). Generally, the enforcement of the norm correlates with the position of actors in the social field: those with higher status and more social and cultural capital are expected to conform more closely to the model of the entrepreneurial self, while at the same time profiting most from it. This social differentiation is also reflected in the differences between the three integration programs. The program for skilled office workers (MERCATOR) adopts and applies the norm to a fuller degree than the workshop for unskilled, mostly immigrant workers (PACKWERK) and the youth program for adolescents with very poor resources (KICK-START).

(2) Discourse analytic research provides convincing evidence for the prevalence of the entrepreneurial self on an interpretive level and there are also studies showing how the norm translates into concrete (social) politics. Nonetheless, especially works focusing management textbooks do not answer the question how the discourse reaches an audience beyond managers and other elite groups. We argue that the organizational techniques we have described thus far function as a transmitting mechanism. At the core of performance assessment processes in businesses and of integration techniques of unemployment programs lie *technologies of the self* (Foucault 1988) *that are structurally homologous to the institution of the religious confession*. The employee appraisal interview, the counseling session and other forms of interactions observed in our fields of study urge the individual to search her self: to devise her individual goals, to judge her own performance, to stress her success, to confess her failure, to recognize her own weaknesses and strengths and to plan strategies for betterment. The topics and questions of these institutionalized quasi-confessions provide the individual with "maps for the landscape of his soul" (Hahn 2000: 207), i.e. show him, which aspects of his self he has to analyze and to mold according to the norms dominant in a given context. Thus, the macrosocial discourse of the entrepreneurial self with its focus on personal responsibility and

the “unconditional dictate of the comparative” (Bröckling 2002: 186) is internalized by individuals and becomes effective in everyday life. Yet, people do not automatically absorb the norm. As we have shown, neither the so-called “low performers”, nor the unemployed we interviewed fully accept the attributions and explanations of their situation offered by managers and program staff. We assume that the “winners” of this ideology are more likely to accept it, while the “losers” are more skeptical. Clear differences between managers and employees in the GALACTICA case seem to confirm this thesis (see Maeder & Nadai 2006 forthcoming).

(3) At the same time the art of self-marketing becomes an additional requirement, which regulates the access to the labor market and the “survival” therein. On the one hand, it necessitates cultural capital to deal with this demand. On the other hand, social and interactive skills – which in turn are rooted in the dispositions of a certain habitus (Bourdieu 1989) – are needed to manage self-marketing situations. We may even hypothesize, that *self-marketing is actually the core of “employability”* rather than any technical skills. The evaluation of a (prospective) worker is extended to the whole person. Of course the required traits, abilities and resources are distributed unequally across the social structure. In addition to formal credentials and “soft” skills, criteria such as age, gender, nationality/ethnicity, family status (enabling or disabling mobility), health and various stigmata implicitly influence personnel selection, career prospects and the risk of exclusion (see also Boltansk & Chiapello 2003).

(4) The increasing relevancy of market success in evaluations of performance and of a person’s worth (Neckel, Dröge & Somm 2005) favors those possessing self-marketing skills and embodying the entrepreneurial self most fully. The flipside of this “marketization” is the devaluation of aspects of performance such as sheer effort and general work quality. In our study this was most obvious at GALACTICA, where the obsessive focus on “excellence” and “high performance” makes the average employees (thus necessarily the majority of the workforce) feel *disrespected.* “I don’t have a bad assessment”, an employee declared, “but every time I leave the office of my boss, I feel like an idiot.” The feeling of disregard is even more pronounced among those labeled “low performers”. We can observe a similar problem among the unemployed. Here too, the result is all-important, while the effort and the circumstances are ignored. If a 59-year old man with health problems says, he has unsuccessfully applied for 400 jobs in an industry where jobs are scarce, he is not allowed the “comfort” of blaming his failure on impersonal factors. Rather, he is regarded as not having worked enough at self-improvement, hence as “not employable”. Understandably, he too feels disrespected, and so do the other unemployed. Integration not only encompasses being embedded into social networks and relations of exchange but also social recognition. Hence, the lack of recognition is an indicator for some degree of exclusion. If even people who are perfectly “integrated” in the social division of labor and social networks (i.e. those with a job) still have the subjective feeling of disrespect, this is another confirmation that the simultaneity of exclusion and integration (Kronauer 2002) is indeed possible. Therefore, the evaluations of a person’s worth, implicit in performance appraisals or job applications, are also negotiations of recognition and disregard (Honneth 1992; Holtgrewe, Voswinkel & Wagner 2000).

(5) Ultimately, the discourse of the entrepreneurial self provides legitimations for exclusion and at the same time the basis for organizational technologies of exclusion. In the economy ideologies and techniques relating to performance can be used as a resource for micropolitical power games of and among managers (who, nonetheless, are themselves subject to the same technologies). Furthermore, they serve as a tool for control and as a means for continuously restructuring organizations in terms of the size and composition of the workforce. In unemployment programs the concept of the entrepreneurial economic actor leads to a delegitimation of care and an undermining of the welfare state. In particular, the principle of social insurance as a legal claim, based on prior contributions, is gradually dissolved: insurance is merged with means-tested welfare reinstalling the asymmetric relation of dependency between recipient and state. Activation as allegedly “empowering” way of inte-

gration turns into a remake of “regulating the poor” (Piven & Cloward 1993) applied to the unemployed. In boh, the economy and the welfare system, the effects of structural transformations are imposed on the individual. Thus, the “merciless responsibility for one’s own fate” (Bude 1998) hits everyone alike: those still integrated in the labor market as well as those excluded from it.

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