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Liminal Space in a State-Owned Company¹

Agnieszka Postuła

University of Warsaw, Poland
apostula@mail.wz.uw.edu.pl

Igor Postuła

University of Warsaw, Poland
ipostula@mail.wz.uw.edu.pl

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Abstract

The purpose of this paper is to determine how liminality can be applied to the specific legal and organizational forms of state-owned enterprises (SOEs) in Poland. Using van Gennep's and Turner's anthropological perspective and based on our experience with such companies, we reveal these organizations' motives for taking liminal actions, particularly actions that determine the relationships among the management and supervisory board members, shareholders and employees. Our aim is to identify such actions and organizational spaces for dealing with particular problems in organizations.

State-owned enterprises (SOEs) in Poland are a specific form of entrepreneurship: legal entities created by the government to undertake commercial activities. This form of organization emerged in Western Europe, where massive nationalization took place in the 20th century. Typical sectors included in this process were telecommunications, power, petroleum, railways, airports, airlines, public transport, health care, postal services, banks, and many large industrial corporations were also nationalized or created as government corporations. Starting in the late 1970s and increasingly throughout the 1980s and 1990s, many of these corporations were once again privatized, although many remain wholly or partially owned by the respective governments.

Given this historical reason for existence, SOEs are very specific forms of organizations, and practitioners and theorists alike have studied many aspects of such organizations. For example, Kostera (1996) interviewed Polish general managers of such companies for discovering their social role, while Morck (2005) collected stories about state-owned companies from all over the world to bring closer the specificity of this form of organization. Erakovic, Forster, and Mouly (2006) investigated changes in the organizational design of sixteen corporatized and privatized organizations in the electricity industry in New Zealand and examined the content and process of change associated with the deregulation of that industry.

In general, SOEs are (or should be) the same as other companies established to operate in commercial affairs except that they have a distinct legal form and may have public policy objectives. Since they operate in the commercial realm, they are different from other forms of government agencies or state entities established to pursue purely non-financial objectives, so they have no need to maximize shareholders' return on their investments. SOEs can be either fully or partially owned by the government, but determining categorically what level of state ownership qualifies an entity as "state-owned" is problematic because governments can also own stock in companies without implying any special interference. Therefore, this paper focuses on companies fully owned by the state.

The activities of SOEs in Poland are subject to legal regulations that are considerably more complicated than those for private companies and that result in SOEs' being much less flexible than private companies. SOEs' actions are often legally controlled to the extent that it is impossible to make quick and reasonable economic decisions. The shareholder—that is, the state—is represented in these companies by governmental officials who often do not want to take the kinds of risks that are sometimes necessary in business. Similarly, members of the companies' management and supervisory boards, who depend on the state for their salaries, know that they have to operate in a way that will be acceptable for to the governmental officials (i.e., legal and not too risky). Despite such strong institutional determinants, SOEs in Poland are managing to deal with their business problems. People at various levels in these companies (line workers as well as higher-level managers) often take actions that are not part of institutional procedures, programs, or commonly known rules. These actions are part of the liminal space in these companies.

This paper identifies such actions, the people who take part in them, and the organizational spaces that are not the common way of dealing with problems in organizations. The discussion seeks to find connections among different liminal spaces, to discover the most significant relationships, to describe them in terms of their liminality, and to describe their roles in organizations.

First, the paper introduces the term liminality and discusses its place in the foundation of organizational theories. Next, the relationship between SOEs and the liminal phase is explained, followed by notes from the field. By sharing the story of the Steel Silesia, a particular SOE in Poland, we present all the relationships as connected in a highly complex way. The conclusion analyzes these relationships, and practical comments are provided about liminality in SOEs. Finally, some rules and suggestions are presented for managing the liminal space in organizations.

Method

Data presented in this paper are the result of a semi-ethnographic project conducted in Poland in 2008 and 2009. Specifically, it is a window study of the difficult moments in a company's organizational life (Kostera, 1996). The primary researcher (only one of the authors participated in the company regularly) has been working in the company as a member of the supervisory board for more than three years (since 2007), but the research itself took approximately one year. The researchers are conscious of the sequence of the employment–research process but are convinced that, in this case, conducting research in a familiar organization had no negative consequences because the research conducted for the purposes of this paper was not classic ethnography (e.g., Burawoy, 1979) but was directly related to the topic of liminality.

Methods used in this research are mainly ethnographic; however, the writing style uses both functional and typically ethnographic (Van Maanen, 1988) approaches. The researchers, coming from different fields, bring together two completely different ways of perceiving organizations, although we have worked to ensure that the text is coherent from the methodological perspective. Material analyses were based on field notes and direct reports from participants' observations (Burawoy, 1979; Konecki, 2000; Polanyi, 1958; Whyte, 1943). This approach to gathering field material is one of the most traditional (Malinowski, 1929; Mead, 1928) and exhaustive. A key principle of the method is that one may not merely observe but must also find a role within the group observed in order to participate in some manner since insiders have access to data that are usually forbidden to outsiders. In addition, participants are not inclined to reveal many interesting problems and phenomena to researchers who remain outsiders as overt observers (Kostera, 2007). Covert participant observation allows for investigation of almost every organizational area, especially when conducting studies on government entities or criminal organizations (Douglas, 1976). Meanwhile, insiders may 'learn by doing', which is a very intense and indispensable form of knowledge. For the anthropologist, the most interesting and desirable factor is tacit knowledge—that is, knowledge in action (Polanyi, 1958). Liminality is an area that cannot be discovered in a static environment because it concerns processes that are undoubtedly dynamic, and the only way to investigate these phenomena is through participant observation.

As researchers, we considered using overt participant observation, but we were concerned about employees' reaction to a strange observer. Research material can consist only of information that is safe and in keeping with the interests of every group in the company, which is why we chose covert observation. From one perspective, this choice limited us to observing people, without the possibility of conducting an interview, but it also gave us considerable freedom in collecting data informally since the primary researcher was able to talk to participants freely without creating suspicion or being held at a distance. The conversations with workers from various organizational levels gave us the key material for this paper.

Liminality

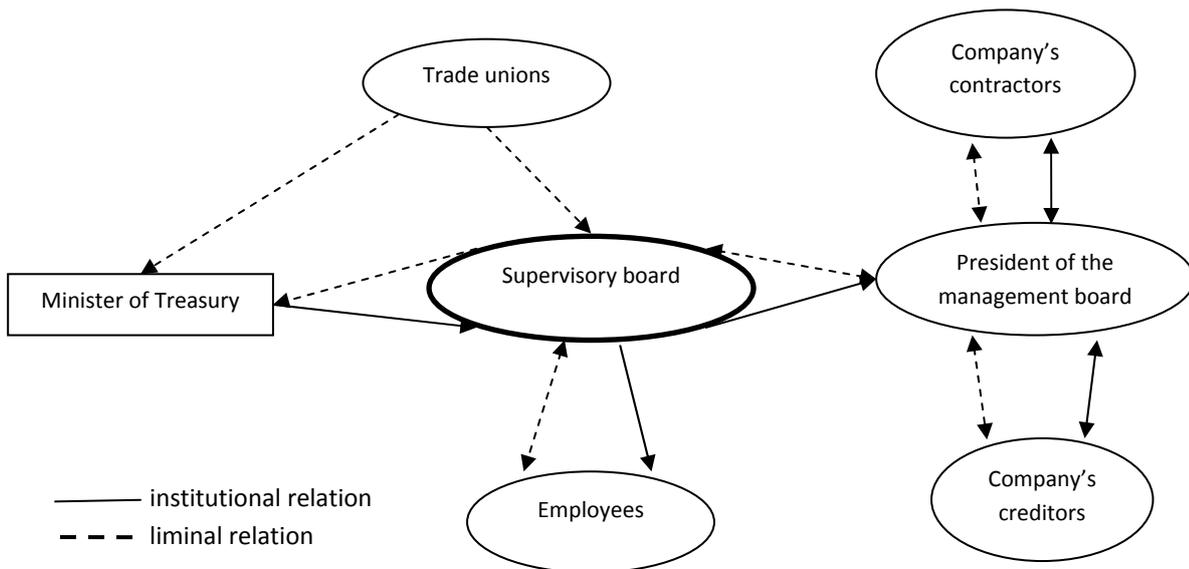
Van Gennep (1909/1960) coined the term "liminality", but the concept was developed further by Turner (1969, 1974, 1982). Van Gennep's threefold structure of rites of passage consists of the pre-liminal phase (separation), the liminal phase (transition), and the post-liminal phase (reincorporation). In the first phase, people withdraw from the group and begin moving from one place or status to another. During this phase, there is often a detachment or 'cutting away' from the former self, which is

signified in symbolic actions and rituals (e.g., a person who cuts his/her hair after joining the army to symbolize ‘cutting away’ the former self as a civilian). In the third phase, they re-enter society, having completed the rite and assumed their new identity. This re-incorporation is characterized by elaborate rituals and ceremonies (e.g., debutant balls and college graduation). The liminal phase is the period between these two states, during which people have left one place or state but have not yet entered or joined the next.

Structure	Communitas
Emphasizes distinctions	Reduces distinctions
Has an exclusive character	Has an inclusive character
People are seen as role-performers.	People are seen as totalities, as human entities.
Individuals are perceived in terms of statuses and roles; a person wears a role-mask (Radcliffe-Brown).	Individuals are perceived as unique personalities.
Real status quo	The status quo is Eden, paradise, utopian.
Society is a hierarchy.	Society is made up of free and equal participants.
Rank, post, and status give significance to individuals.	Rank, post, and status are suspended.

Table 1. Differences between Structure and Communitas (based on Turner, 1974)

Figure 1. Institutional and liminal relationships among different interest groups in considering Steel Silesia



Turner (1974) noted that, in liminality (the transitional state between two phases) individuals were ‘betwixt and between’: they had left the society of which they had been a part, and they were not yet reincorporated into that society. Liminality is, in essence, a point in limbo, an ambiguous period characterized by humility, seclusion, tests, sexual ambiguity, and communitas, an unstructured community in which all members are equal. Thus, structure and anti-structure become central points of reference in Turner’s analysis. Following Sartre, Turner treats structure as ‘complex dialectics of freedom and inertia’ in which ‘emergence and persistence of each group in its collective activity is dependent on the voluntary commitment of each individual’ (Turner, 1974, p. 200). However, in our context, Levi-Strauss’s (1963) approach to structure as something beyond what we can empirically observe might be closer to our research perspective. In our opinion, structure as it is classically perceived in anthropology (Radcliffe-Brown, 1922/2006) is best suited for the first and third phases of the rites of passage, while Levi-Strauss’s approach is more appropriate for the second phase (i.e., liminality). However, Turner perceives liminal phase as anti-structure, naming this space ‘communitas’, although sometimes (1969, 1974) he admits that communitas also has some undefined structure. Table 1 highlights the primary differences between structure and communitas identified by Turner (1974).

According to Goffman (1959), liminality means ‘alignment and deprivation of structural status’. Another description of liminality suggests that this phase of rites of passage is driven by nature, whereas the first (separation) and the third (reincorporation) stages are more about culture. The liminal phase (second) represents a situation of objectivity that is difficult to

find in structural situations; it is more saturated than other stages by symbols that refer to biological processes (considering people or not) and other aspects of natural order. This idea is related to the idea of equalization with other people and becoming a passenger (Turner, 1974). In addition, the transition between structure and *communitas* is fluent and sometimes hard to mark and define.

Communitas is a typical phenomenon in huge social changes and sometimes a way of reacting that forces humans into structures related to statuses and role-playing. It may also be a reaction against the people of the organization, the revolt of lower workers against higher levels of management. In Turner's concept, liminality is a phase of social life in which the confrontation between "action without a structure" and its "structural consequences" evokes people's highest level of self-consciousness. Moreover, liminality is temporary and has no clearly defined role in society; as such, it could be both alienating and freeing, as well as a source of perspective and creativity.

Liminality in Organizations

The concept of liminality as it relates to organizations was first discussed by Trice and Beyer (1993), who perceived cultures as an internal (dependent) variable. By employing symbols, rituals, languages, stories, myths, metaphors, rites, and ceremonies they analyzed how to select, modify, and create appropriate cultural forms. A decade later, Czarniawska and Mazza (2003) discussed consulting using liminality as a metaphor. Using their experience as consultants and observers, they suggested that consulting can be represented as a liminal space for both consultants and their client organizations. As a result, Czarniawska and Mazza introduced and developed the concept of the "liminal organization" and discussed the possibility that liminality is becoming "the modern condition". We agree with this conclusion.

Sturdy, Schwarz, and Spicer (2006) described the transitional characteristic of precarious or mobile employment, such as temporary, project, and consulting work, as a fluid and largely unstructured space in which normal order is suspended and which is both unsettling and creative. The authors critically explored the liminality of such work spaces through a detailed study of the neglected activities of business dinners and back-stage management consultancy, arguing that liminality can be a highly multi-structured, comfortable, and strategic or tactical space.

Tempest and Starkey (2004) examined the changing nature of organizations in the television industry in the United Kingdom, reflecting on the impact of liminality on learning, while Powley and Cameron (2006) used liminality to analyze organizational healing, which 'occurs during a transition space that is both metaphorical and literal, a liminal space where social structure is suspended as individuals engage in actions that support and enable others to become whole again. The liminal space rebuilds and renews an organization's social fabric, sense of continuity, expectations, and identity' (p. 4). Tansley, Wagner, and Newell (in press) investigated the IS project environment as a liminal space that exists between the status quo and the new ES-enabled environment and found that liminality can be beneficial within a project team, but a liminal space that is too strong (therefore hard to control) makes it difficult to incorporate the learning and software back into the organizational working environment after the project is completed. They also presented mechanisms that can be used to create the liminal space and highlighted the positive and negative impacts of creating a semi-permanent versus rotating liminality.

Pina, Cunha and Cabral-Cardoso (2006) and, later Guimarães-Costa, Pina and Cunha (2009) examined liminal space in organizations. Pina, Cunha and Cabra-Cardoso examined the concept of liminality in their analysis of legality and illegality in organizations, and Guimarães-Costa, Pina and Cunha observed international managers and their roles in organizations. In both papers, the authors considered the centrality of rules to modern organizations and the potential discrepancy between general rules and specific situations. They found that people are often confronted with a dilemma: apply the rules when they should not be applied or bend the rules to improve their applicability. This double-bind situation forced people to slip into a liminal space, betwixt and between, accepting the structure while simultaneously challenging it.

The current paper identifies the liminal space in SOEs in Poland. Particular groups within companies (i.e., employees, trade unions, management, and supervisory board members) often take actions that do not follow procedures and that are, although common, sometimes even illegal. The relationship between liminality and illegality is explored in order to extracting implications for the control of legal and illegal networks. We analyze how these actions influence individuals and organizations as a whole. Given the deep and complex context of liminal processes, we concentrate on descriptions of final changes and compare them to legal procedures and organizational rules.

State-owned Enterprises (SOEs)

SOEs rely on the institutional determinants of its governing bodies (i.e., management board, supervisory board, and the general meeting of the shareholders). Because shareholders transfer their rights to run the company to the management board, which is supervised by the supervisory board, supervisory board members should exercise their duty based not only on legal, economic, and financial rules, but also taking into consideration shareholders' interests. In SOEs in Poland, the supervisory

board may not give any binding instructions to the management board in regard to how the company's day-to-day business is run.

SOEs in Poland provide a unique field for research because of their traditions and cultural context. Older people in Poland who remember the socialist regime treat SOEs as 'nobody's organizations' (100% of the shares belong to the Ministry of Treasury). SOEs are a psychological and sociological phenomenon of publicly owned (Wiens, 2000) companies that belong to the treasury—an abstract legal entity. Consequently, SOEs have no concrete owner, giving the impression that the organizational infrastructure is comprised of 'nobodies'. Given the difficulty of understanding such an approach, we focus on describing single positions and relationships in specific contexts.

Steel Silesia—Context

Steel Silesia is located in the Silesia region of Poland. The company is part of the steel industry; while it does not produce steel, it does provide steelworks with the services necessary to facilitate steel production. The Ministry of the Treasury is Steel Silesia's only shareholder; 100% of Steel Silesia's shares belong to the Treasury. The Polish government decided not to privatize Steel Silesia (i.e., by selling it to Steel International) since it played an important role in controlling Steel International's activity in Poland. However, today that situation has changed; controlling Steel International has become irrelevant because it owns the majority of the Polish steel industry anyway. The Polish government wants to speed up the privatization processes in Poland since it needs money to cover its high budgetary deficits, so it plans to privatize Steel Silesia as soon as possible. However, Steel Silesia's financial situation is less than ideal; its debts are so high that the company's financial costs (i.e., the cost of interest) exceed its earnings from operational activity. Even so, Steel Silesia owns very attractive real estate in the centre of Silesia, the estimated value of which exceeds the value of the company's debt.

In the summer of 2008, Steel Silesia had two interested investors ready to pay an acceptable price for the real estate. Unfortunately, according to the procedure binding SOEs, selling the company's real property required a general meeting and, at that time, the department of the Ministry of Treasury that supervised Steel Silesia and whose director represented the Ministry of Treasury at the general meetings was engaged in the preparation of the privatization of Polish shipyards, a crucial process for the Polish government for political reasons. As a symbol of the Solidarity movement, the Polish shipyards—which were in bad economic conditions—were also subject to intense public interest. As a result of activities related to privatizing the Polish shipyards, the general meeting of Steel Silesia was postponed several times and, by the time it finally convened and consensus on selling the real estate was achieved, the global financial crisis had begun and the investors were no longer interested in the property.

Clearly, Steel Silesia has faced difficult years in its recent history, but the company continues to operate. In fact, if it weren't for its financial costs, the company would likely be seeing a profit. Considering all the financial, legal, and economic rules that Steel Silesia must follow, and considering its financial condition, it should not have been able to function for such a long time. So what factors enabled it to continue operating?

Steel Silesia's Liminal Spaces

As previously described, Steel Silesia is operating in a strongly institutionally determined environment. These institutional factors indicate that the company is in such a bad condition that it should not be able to function for such a long time. However, Steel Silesia occupies several transitional spaces that may have led to the organization's ability to survive.

While the supervisory board's institutional task is to supervise the management's activity in keeping with its shareholder's interests, in practice, Steel Silesia's supervisory board plays a different role. Understanding this role requires appreciating the position of each member of the board. The supervisory board consists of five members: two elected by the employees and three appointed by the Minister of Treasury. Of the three members appointed by the Minister of Treasury, one works in the Ministry of Treasury—Ministry employees' membership on Steel Silesia's supervisory board is a form of reward for their job in the Ministry—and the other two board members are independent members, one a specialist in finance and the other a specialist in commercial law.

Liminal space between employees and board members. Steel Silesia's employees' attitude toward the supervisory board members—especially those from outside the company—has been sceptical from the beginning. Board members were perceived as intruders from 'far Warsaw' (the capital) who did not understand employees' problems and whose only task is to control the company so it did not do anything to contradict the Minister of Treasury. Moreover, employees were convinced that board members were politically related to the governing coalition.

However, as employees came to realize that the board members were interested in their situation and wanted to spend time with them, they realized their initial perceptions were off target. As a result, board members who initially felt like intruders ultimately came to be perceived as part of the company. The board members also realized that the most important tasks were the

restructuring and subsequent privatization process necessary to preserving jobs for the employees. Board members understood that, to help the company go through these processes, they had to convince those attending the general meeting to embrace solutions that preserved jobs.

As a result, the supervisory board members began to represent the company's interest at the general meeting to a much greater extent than the shareholders' interest, thereby constituting an inversion from the board's institutional role. In other words, board members changed their institutional roles from representing the Ministry of Treasury before the company to representing the company and all the workers before the Ministry. As such, a liminal space emerged as a new relationship between workers and supervisory board members evolved.

Gap liminality. Another situation that emerged to suggest liminality involved the two supervisory board members appointed through a competitive procedure carried out by the ministerial appointment committee authorized by the Minister of Treasury. Both members came from outside Silesia, and both were academics (one is the primary researcher of this study). Neither of the appointees was a member of any political party or related to the Minister or to any other official in the Ministry of Treasury. They were appointed to the board in 2006, prior to the parliamentary election in 2007 that resulted in a change in the governing coalition in Poland and a change of the Minister and main officials in the Ministry of Treasury. The new Minister decided that all SOEs' supervisory board members had to be appointed through a competitive procedure, which led to changes in the vast majority of supervisory board memberships as independent members were replaced by new, often politically affiliated candidates.

Steel Silesia's supervisory board was the exception; its membership did not change at all, perhaps because the company's bad situation made it unattractive to political insiders. In addition, the role of the supervisory board's independent members had strengthened during their first year, prior to the elections, because the recall of the president of the management board in 2007 had required them to serve on that board as well until a new president could be appointed. Consequently, they were able to become acquainted with the company from the inside and to meet many of the employees. In meeting with employees from each department, the board members were astonished to learn of the employees' knowledge about the company; most had spent their entire careers with the company, understood the company's difficult situation, and realized that they could not afford to pressure management for higher salaries or other privileges. Moreover, they knew that their counterparts in privatized companies earned much more than they did and that they would benefit directly if the company were able to pay off its debts and then become privatized. Because employees of Polish SOEs generally prefer that their companies remain state-owned, which guarantees them a stable job, unlike private companies, the gap between the attitude of most SOE employees and that of Steel Silesia's employees constitutes liminality.

Trade unions. A third liminal space had to do with the company's trade unions. Another of the reasons that Steel Silesia's board members were not replaced after the 2008 election was that the trade unions supported them. Three trade unions operate in Steel Silesia and compete with one another. These trade unions have historically kept their distance from the supervisory board, but they saw that the supervisory board seemed to appreciate trade unions' position and the contributions and interests of the employees. As a result, all three trade unions wrote letters of support for the company's board members, highlighting their roles after the recall of the management board's president and how employees had put their trust in them. Such support by the trade unions is an exceptional case; the Minister of Treasury remarked that this had been the first time that all trade unions, which usually compete with one another, had come together to support a supervisory board. The character of this relationship is clearly liminal since trade unions usually clash with supervisory boards.

Management board. A fourth liminal space was related to Steel Silesia's management board, which consists of only one member: the president. The company's financial situation was difficult, and the company was teetering on the edge of bankruptcy. Its bank accounts had been blocked by the courts, and the president of the management board had to negotiate with the main creditors (i.e., Custom Chamber and Social Insurance Institution) on a month-to-month basis to release money from the company's bank accounts to pay salaries and other set liabilities. If the creditors had not agreed, the company would have gone bankrupt.

Two considerations stopped the creditors from blocking the president's efforts by freezing its bank accounts. First, Steel Silesia is an SOE, so pressure from public creditors is not as strong as it is for a private company. Although the main competition law requires that SOEs and private companies be treated equally, the bankruptcy law does not forbid creditors from releasing debtors' bank accounts. Second, Steel Silesia has existed for almost 200 years and has a long history of providing jobs for many people from Silesia. Thus, the Custom Chamber's and Social Insurance Institution's directors likely realized that they were not taking a professional approach so much as they were succumbing to strong traditional sentiment in Silesia. Since factors other than tradition or local cultural values have crucial meanings and influence organizations' management decisions in the contemporary market, the relationship between Steel Silesia and its creditors was unusual.

Another important factor was the personality of the president of the management board. The president had worked at Steel Silesia for almost 35 years, and people recognized him as a hardworking and honest man, so creditors did not associate Steel Silesia's poor financial condition with management's activity. In their opinion, Steel Silesia was the victim of transition and unreasonable restructuring processes carried out by politicians.

As for the relationship between the management board and the supervisory board, if they maintained their formal roles, the supervisory board was limited to the supervision of company's financial and legal documentation. However, the turning point was the delegation of supervisory board members to the management board after the recall of the president of the management board. When the new president was finally appointed, he took advantage of the opportunity to meet with the supervisory board members who had been delegated to the management board. They openly discussed their opinions of the company's situation and ultimately came to the same conclusion: the company's weak condition was the result of most important decisions concerning the company having been made by officials from the Ministry of Treasury, who were too far away to understand the company. Consequently, when the supervisory board members' role changed from supervising the management board to representing the company's interest in relation to the general meetings (i.e., that of the Minister of Treasury), the change in the relationship between the supervisory board and the president of the management board had a surprisingly positive impact on Ministry officials' work as they were able to glean much more comprehensive information about the company.

Contractors. The fifth liminal space was that of contractors. Steel Silesia's main contractors are companies owned by the largest steel holding in the world: Steel International, whose production process depends on Steel Silesia. The members of the contractor's management boards know the president of Steel Silesia's management board, having worked together for almost 30 years in the state-owned steel holding to which both Steel Silesia and its contractors belonged. The owners of Steel Silesia and the private companies are far removed from daily operations and, while the management boards of Steel Silesia and the private companies operate according to owners' interests, they also have interpersonal relationships.

Normally, private contractors wait until the final due date to make their payments, but this is not the case with Steel Silesia; they pay earlier in order to help Steel Silesia pay its own creditors. The private companies' management understands that their production depends on Steel Silesia and that the management and employees of Steel Silesia are their colleagues—people with whom they have worked for many years. This is also a part of the liminal space.

Conclusion

The stories about all the liminal spaces of Steel Silesia combine to form a model of the company's most significant relationships. Given limitations of space, not all the liminal spheres are present, but these five examples help to reveal how liminality operates in Steel Silesia's organizational life.

Liminality occurs in organizational processes in many ways. In Steel Silesia, rigid procedures and complicated rules are difficult to obey and just as difficult to omit. As Cunha and Cabral-Cardoso (2006) indicated, people in institutionally determined organizations constantly choose between applying the rules when they should not be applied and bending the rules to improve their applicability. Although working in such conditions is inconvenient, it promotes the development of people's creativity and innovativeness as they try to reach solutions that are neither obvious nor related to the company's regulations or procedures.

A question of the legality of such actions emerges. We described only few specific situations in which people were pushed to circumvent the rules in some manner. We cannot define such actions as illegal, but those involved dissolved problems in unusual ways. When the trade unions stood together to support the supervisory board, the trade unions' actions were not so much illegal as surprising and unusual. In this case, transcending procedures was not only the result of organizational restraints, but also strongly connected with the atmosphere at Steel Silesia.

The organizational climate in Steel Silesia is unique among SOEs in Poland. Many SOEs continue to operate in post-Soviet and socialistic countries; in Eastern European countries they are remnants of the centrally planned economy, although they are supposed to be privatized. Their organizational culture remains a topic of interest; in particular, the organizational cultures of Chinese SOEs have been investigated by researchers (Wang, 1997; Wang & Yang, 2007), and organizational culture has been considered a crucial factor in determining their learning ability, organizational performance, economic results, and general development.

Parties to the relationship	Institutional relationship	Liminal relationship
Minister of the Treasury and supervisory board	Supervisory board's members are obliged to supervise the company with reference to legal and financial rules, but also in regard to the shareholder's interests. They may be dismissed	Supervisory board represents the company's and the employees' interests.

	by the Minister of the Treasury for failing to fulfil this duty.	
Supervisory board and president of the management board	Supervisory board's duty is to supervise the management board in all elements of the company's activity.	Supervisory board and president of the management board cooperate to convince shareholders of the solutions concerning restructuring and privatization processes that would be conducive to employees' interests (i.e., preserving jobs).
Supervisory board and employees	Supervisory board's duty is to supervise all fields of the company's activity (i.e., work of all company's departments and company's remuneration policy). Employees are distrustful of board members.	Employees see the activity of the supervisory board as a way to retain jobs. They influence the trade unions to support board members.
Trade unions and Minister of the Treasury	No direct institutional relationship exists between these two parties.	Trade unions support board members in the competitive procedure for new board members.
President of the management board and the company's creditors	Creditors, as public institutions (Custom Chamber and Social Insurance Institution), are obliged to block debtors' bank accounts.	Creditors release money from the company's bank accounts to pay employees' salaries and other set liabilities.
President of the management board and the company's contractors	Contractors' interest is to pay Steel Silesia at maturity.	Contractors pay Steel Silesia before the day of maturity so as not to create problems for Steel Silesia in regard to its creditors.
Trade unions and supervisory board	No direct institutional relationship exists between these two parties. They prefer to avoid each other.	Trade unions treat the activities of the supervisory board as the way to preserve jobs in the restructuring and privatization processes. They support board members in the competitive procedure for new board members.

Table 2. Meaning of all the Relationships among the Different Interest Groups in Steel Silesia

Babüroglu and Göcer (1994) highlighted the culture clash between the economic and financial assumptions of privatization and the fact that many such companies become ‘Sumerbankian’—a withering organizational culture. We think that, without its liminal spaces, Steel Silesia could face a similar fate. In the case of Steel Silesia, its liminal spaces were not only legal, but also indispensable. It is likely that, without the liminal actions taken by all the participants in this organization, Steel Silesia would no longer exist.

In analyzing this case, we wondered whether liminal space exists in every organization regardless of the form, ownership, size, branch, or other factors. Liminal space can be helpful in diverse organizational contexts. It is significant that organizational culture influences the direction of liminal actions. In confronting, competitive, and dynamic cultures, liminal space may cause problems for fundamental organizational activities, but in cooperative, friendly, relational cultures, liminal space can reinforce organizational activity in a beneficial way. In the case of Steel Silesia, it was not the organization as a whole but the people who formed a sub-culture in the company that allowed liminal space to have a positive impact in day-to-day activities.

Problems with liminal actions may arise in the area of controlling them. A company's participants (e.g., the president of the management board and supervisory board members) may feel the need to control liminal actions and influence them for their own purposes. As demonstrated in this case study, in the majority of situations, the liminal actions were impulsive and improvised, so they would have been difficult to control. The only way to use knowledge about liminal spaces in practice is to observe relationships and try to understand them. At Steel Silesia, among the most important and powerful of these relationships may have been that between members of the supervisory board and the employees and that between the supervisory board and the trade unions. Further analysis reveals that the supervisory board was the focal point of liminal actions. It is likely that having

two independent members of the supervisory board resulted in establishing completely new relationships and specific managing spaces that we call liminal. The relationships are depicted in Figure 1.

The relationships among the particular parties influencing Steel Silesia are determined by institutional factors (institutional relationships) and relationships within the liminal space (liminal relationships). Both institutional and liminal relationships determine the company's activity in the way described in this paper, and both kinds of relationships determined that Steel Silesia would still exist. The institutional and liminal relationships among the parties are described in Table 2.

The institutional determinants should have sent Steel Silesia into bankruptcy, but the liminal space within the company was strong enough to overcome the institutional determinants and allow the company to continue to operate. Because of the efforts of the participants who were so deeply engaged in their roles and committed to the company, and because of their embrace of liminal spaces, many positive actions led to a satisfactory outcome.

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