BE CREATIVE, NOW!

THE PARADOX OF FREEDOM IN ORGANIZATIONS

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Be Creative, Now! The Paradox of Freedom in Organizations

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<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>3M</td>
<td>Minnesota Mining and Manufacturing</td>
</tr>
<tr>
<td>A.m.</td>
<td>Ante meridiem</td>
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<tr>
<td>BI</td>
<td>Business Intelligence</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CRM</td>
<td>Customer Relationship Management</td>
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<td>CV</td>
<td>Curriculum Vitae</td>
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<td>DSM</td>
<td>Deutsche Start-up Monitor</td>
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<tr>
<td>E-mail</td>
<td>Electronic mail</td>
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<tr>
<td>E.g.</td>
<td>Exempli gratia</td>
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<tr>
<td>GIF</td>
<td>Graphics Interchange Format</td>
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<tr>
<td>H</td>
<td>Hour</td>
</tr>
<tr>
<td>High-tech</td>
<td>High-Technology</td>
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<tr>
<td>HoD</td>
<td>Head of Department</td>
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<tr>
<td>HR</td>
<td>Human Resources</td>
</tr>
<tr>
<td>I</td>
<td>Intern</td>
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<tr>
<td>IBM</td>
<td>International Business Machines</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>M</td>
<td>Manager</td>
</tr>
<tr>
<td>MD/F</td>
<td>Managing Directors or Founders</td>
</tr>
<tr>
<td>NASA</td>
<td>National Aeronautics and Space Administration</td>
</tr>
<tr>
<td>OKR</td>
<td>Objectives and Key Result</td>
</tr>
<tr>
<td>P.m.</td>
<td>Post meridiem</td>
</tr>
<tr>
<td>PR</td>
<td>Public Relations</td>
</tr>
<tr>
<td>TL</td>
<td>Team Lead</td>
</tr>
<tr>
<td>W.L. Gore</td>
<td>Wilbert (Bill) Lee Gore</td>
</tr>
</tbody>
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1 Introduction

It is always said that we all have to be creative (LegalTech, Finance, HoD).

1.1 Problem Statement and Motivation

In the last thirty years, the relationship between work and creativity has changed substantially (Bröckling, 2006). The business world has entered a “Creativity Era” (Kirstetter, Eagar, and Roos, 2013, p. 13). Due to the digital upheavals in industries, disruptive changes in technology and society, and continuing high volatility in the markets, the only constant for organizations is change (Alvesson and Sveningsson, 2016). Competitive pressure for organizations is growing noticeably. The image of a business world that is constantly reorienting itself at high speed evokes both fear and fascination. Regardless of whether a threat or a desirable ideal, the changing world is not a future scenario but an everyday reality (Malone, 2004). Today’s customers are no longer necessarily tomorrow’s customers. The sources of competition are also no longer clearly identifiable (Martinaityte, Sacramento, and Aryee, 2016). Over the last several years, many iconic companies have disappeared because they failed to anticipate where the market was heading (Davis, 2014). Willingness to change is not a matter of course. Competitive advantages no longer result exclusively from the position, scope, or ability to prepare or deliver an offer (Ili, 2015). In order to face the increasing market instabilities, organizations have been demanding creative behavior from their employees to foster rapid adaptation (Amabile and Pratt, 2016; Beuk and Basadur, 2016; Mueller, 2017). Successful organizations not only react to recent customer requests, but also anticipate trends and develop ideas, products, and services to meet future challenges (Kruse, 2004; Bröckling, 2007; Cummings and Worley, 2009). In this sense, a new era for business is emerging – an age where creativity is the key resource (Kirstetter, Eagar, and Roos, 2013).

Generating new and original ideas is becoming the central imperative for organizations: how to break with tradition, and how to look at things in a different way in order to adapt quickly to changes (Runco, 2004; Shalley, Hitt, and Zhou, 2015; Auger and Woodman, 2016). Particularly in the fast-moving and ever-changing business world, creativity is a prosperous tool, not only to remain competitive but also to generate innovations (Tidd and Bessant, 2011; Anderson, Potočnik, and Zhou, 2014). A study by the technology company Adobe has revealed that 82% of companies see a strong link between creativity and business results (Forrester Consulting, 2014). Companies that actively encourage creativity outperform the competition in regard to sales growth,
market share, and competitive leadership (Amabile and Kramer, 2012a). For many companies, creativity is very desirable, because it appears to be a *creatio ex nihilo* (Diederichsen, 2012). Creativity is the opposite of processing found, pre-produced material, which also needs to be torn from the earth, transported, and stored at great expense. The invention, the business idea, the slogan, the artwork, and the design solution do not require any expensive prerequisite to create business value (de Bono, 2013). Creativity promises return without much cost, and organizations need simply employees who perform creative work. According to a 2016 study by the World Economic Forum, creativity will be the third most important skill in the workplace by 2020 (World Economic Forum, 2016). The technology company IBM (International Business Machines) has noted, that creativity is the most valuable skill for managers in the future (IBM, 2010).

Although creativity seems to be the *zeitgeist* of the business world, few organizations manage to exploit the creative potential (Mueller, 2017). Creativity is related to “nonconformity, rebelliousness, and unconventionality” (Runco, 2007, p. 274). Creativity lies in the new, the surprising, and the unpredictable (Austin, Devin, and Sullivan, 2013). This contrasts what organizations typically attempt to do. Katz and Kahn (1978) have claimed that “every organization faces the task of somehow reducing the variability, instability, and unpredictability of individual human acts” (p. 296). Although the source of this quote is somewhat old, the statement has not lost its significance. Organizations use sophisticated approaches to anticipate results and ensure a degree of certainty. A dilemma emerges. Organizations need to, paradoxically, control creativity, which is normally presumed to rejects control. They must offer circumstances for variability, instability, and unpredictability to encourage creative behavior. Peters (2012) has argued that members of an organization are normally motivated to be creative, curious, and excited about the new, but any type of control that is geared towards conformity and predictability hinders members’ drive to be creative. Organizations that depend on creative work are constantly pressured to execute their current activities efficiently and to foster creativity to overcome future challenges – that is, the struggle for structure, time, and money to perform in the short-run and likewise to deal with creating value for the future (Beinhocker, 2006; Grabner and Speckbacher, 2016). A great challenge for organizations is to maximize their creative resources (Isaksen and Lauer, 2002; Zhou and Shalley, 2013; Amabile and Pratt, 2016). However, several organizations manage to avoid the aforementioned dilemma and exploit the creative potential of their members.
Žižek (2006) has described organizations that constantly generate creativity and innovation as liberal communist regimes. Innovative companies such as Google, IBM, Intel, eBay, and Microsoft are anti-conservatives in such a way that they are creative, adaptable, and anti-bureaucratic; they encourage freedom, collaboration, open communication, knowledge sharing, and empowerment in contrast to hierarchy, rules and standardizations (Walker, 2011). It seems that those companies have turned the rules of the organization upside-down. For example, the ‘Google way’ of running an organization requires radical difference and opposition to stimulus creativity and innovation (Vise and Malseed, 2008). The technology company Google looks like an employee paradise. There is little external discipline, world-class chefs serve three free meals in various cafés, and people enjoy fun activities at the workplace (Amabile and Kramer, 2012b). The underlying assumption of this new managerial approach is that creativity and superior productivity abound if members are free from control (Fleming, 2009; Puccio and Cabra, 2012; Auger and Woodman, 2016). Emphasis on freedom over control may be necessary for individuals to express creative behavior and to develop new opportunities for innovative products and services (Peters and Waterman, 2004; Bains et al., 2007; Fleming, 2009; de Bono, 2013). In this context, change in the workplace and the need for constant creativity requires organizations to overcome various challenges (Malone, 2004).

Research has not yet provided the answers for exploiting freedom to control creativity. However, creativity research has confirmed a correlation between freedom and creativity in organizations. The literature on creativity regards freedom as a counterpoint to control. More freedom means more scope for creativity (e.g., Amabile et al., 1996; Liu, Chen, and Yao, 2010; Rosso, 2014). Conversely, more control means fewer opportunities to express creative behavior (e.g., Adler and Chen, 2011; Hirst et al., 2011; Grabner and Speckbacher, 2016). Organization theory has exposed for years a clear trend that freedom can be a part of control (e.g., Thompson and van den Broek, 2010; Annosi and Brunetta, 2017). Hence, two approaches exist in the research on freedom and control. This thesis combines both approaches to link organizational theory and creativity research. In that regard, studying control with a focus on creativity broadens the empirical basis and provides insights into freedom as a form of control to exploit creativity. To investigate this, I undertook extensive ethnographic research in two organizations.

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1 Single quotation marks are used to highlight terms, translations, definitions, and quotations within quotations, while double quotation marks always indicate quotes or terms by other authors or from the field.
1.2 Purpose and Research Question

Based on the relevance of the topic described and the research needs discussed, I have derived the purpose, the central research question, and the expected contributions to research and practice of this thesis. The purpose is to gain insights related to the ‘missing links’ between creativity, freedom, and control. Figure 1–1 illustrates the research emphasis. The interfaces between the individual concepts are of particular research interest.

![Figure 1–1: Research Emphasis. Own figure.](image)

In particular, I want to develop an understanding of how control and freedom are not counterparts, but, rather, how freedom is an element of control. This thesis takes up the interdisciplinary significance of creativity for organizations and inquiries about the control mechanism for it. The specific purpose of this thesis is to examine creativity, freedom, and control in organizations. Organizations are social entities that have mechanism, which assists the activities of the members to be directed towards the pursued goal (Sanders and Kianty, 2006). This thesis does not direct attention towards creativity in the arts and design, which have been highly associated with creativity (Holm-Hadulla, 2000). Moreover, this thesis also differs from classical creativity literature, which is characterized by numerous individual-psychological explanations, according to a mental, individual, and natural phenomenon (e.g., Guilford, 1950; Feist, 1998; Kandler et al., 2016). I am interested in the situation-specific, concrete, and detailed social contexts of creativity in organizational settings. For such a perspective, it is primarily the social practices with which creativity is initiated, produced, and visualized that are of attention. In this analysis, the workplace is ethnographically explored as observable activities and examined in terms of the emergence of creativity from those activities – so, more the ‘how’ and less the ‘who’ or ‘what’ is in focus. I do not judge the creative outcome, but I am interested in the concrete shaping of workplace control in order for organizational members to be creative.
Researchers emphasize that freedom is becoming increasingly crucial in workplace control (e.g., Fleming, 2009; Walker, 2011). If that is the case, and if creativity becomes a key resource, how can creativity be controlled through freedom? In order to achieve the purpose of this thesis, an in-depth empirical study has been carried out with the following research question:

*How do organizations exploit freedom to control creativity?*

The thesis has three purposes: two theoretical and one practical. First, I argue that a deeper understanding of contemporary workplace control is necessary for theoretical knowledge to be developed on how today’s workplace control influences behavior. Particular care has been taken to analysis the perception of freedom in the workplace and how freedom leads to predetermined behavior. I offer a detailed perspective of what freedom in an organization implies and what the consequences are. Second, the thesis enlarges the theory of organizational creativity research. Organizational creativity research is mostly characterized by quantitative analyses (Zhou and Shalley, 2013). In these quantitative investigations, creativity is usually the dependent variable and is usually measured by asking the superiors of the employees in the focus of the survey to fill out a questionnaire with a creativity scale (see e.g., Amabile et al., 1996; Oldham and Cummings, 1996; Tierney, Farmer, and Graen, 1999; Zhou and George, 2003). Most of these studies reveal a positive correlation between freedom and creativity and a negative correlation between control and creativity. However, due to this quantitative design, many studies have not been able to clearly determine the direction of the causality of creativity (Zhou and Shalley, 2013). Moreover, the few available qualitative studies do not provide a clear picture of how freedom leads to creativity and rejects control. What is specific about this thesis is that I have not built the theoretical framework primarily from creativity literature, but from organization theory. This introduces a new perspective for better understanding of creativity in organizations. Therefore, creativity research is an interdisciplinary effort, and new techniques, topics, and applications are apparent (Runco, 2004). Third, I advise organizations on how they can foster creativity through a combination of freedom and control.
1.3 Structure of the Thesis

The thesis is divided into six parts. I repeatedly bring together the three concepts of creativity, freedom and control. Figure 1–2 (p. 15) presents the structure of this thesis.

Following the introductory first chapter, I provide an overview of the theoretical background of the thesis. In the first step, I review the existing creativity literature and explore the interfaces between creativity and freedom, as well as creativity and control. Next, I introduce the concept of freedom philosophically and later related to the organizations to introduce different concepts of freedom in organizations. Further, I discuss workplace theory with a focus on freedom. In doing so, I examine historical developments to point out why and how organizations have allowed more freedom, and I conclude the theoretical background with a framework and the research gaps. I describe why exploratory research is necessary to answer the research question. In the third chapter, I describe the research design and methodological approach, including sub-chapters on case selection, data collection, data analysis, and data validation. The fourth chapter forms the core of this thesis, with an ethnographic analysis of two organizations. The actual working process is analytically enlarged, slowed down, and thus made comprehensible by the ethnographic description. For the structure of the representation, I define two components: The ‘System of Control’ and the ‘Practice of Freedom’. I describe in detail how the control system provides freedom to encourage creativity. In the fifth chapter, I discuss the data from the ethnographic studies and answer the research question. I proceed in two steps: ‘From Practice of Freedom to Covert Control’ and ‘Covert Control of Creativity’. In the last, sixth chapter, I conclude and highlight contributions of the thesis, theoretical and practical implications, avenues for future research, and I close with an outlook.
Figure 1–2: Structure of the Thesis. Own figure.
2 Theoretical Background

This chapter outlines the theoretical background of the thesis. The research question of this thesis is how organizations exploit freedom to control creativity. This research question builds on debates in organizational and creativity theory of how workplace control manages creative behavior.

Organizations control their members on a spectrum between authoritarianism and benevolence (Walker, 2011). They set a specific type of control forms based on their goals and values and then develop procedures and practices to accelerate this decision (Fleming and Sturdy, 2009). Nowadays, many organizations are embracing a new, apparently more liberal approach to the workplace control by playing down control forms and promoting members’ freedom (Bains et al., 2007; Fleming, 2009; Peters, 2013; Annosi and Brunetta, 2017). This “liberation management” assumes that creativity increases when employees receive freedom (Peters, 1992; Malone, 2004; Vise and Malseed, 2008; Fleming and Sturdy, 2009; Walker, 2011). Liberation management is built on trust by giving organizational members more freedom to become committed and creative (Peters, 1992). This does not mean, however, that control is no longer being carried out, but rather that control forms shift into a more subtle form (Thompson and van den Broek, 2010).

The theoretical background serves to build an understanding of what creativity, freedom, and control are, and how these concepts are related. First, I define creativity and discuss the interfaces between creativity and freedom as well as creativity and control. Subsequently, I briefly explain individual freedom and freedom in organizations. Afterwards, I examine the third interface of freedom and control by discussing different streams of workplace control theories in terms of freedom in order to bring them into context and to build a foundation for the theoretical framework of this thesis. This leads to the basis for the empirical study and identifying the research gaps.
2.1 Creativity

This section defines creativity and separates it from innovation. It presents different types of creativity and places it in an organizational context. In addition, this section describes the relationship between creativity and freedom and creativity and control.

The term ‘creativity’ originates from the Latin “creare,” which means to recreate, create, or invent something new (Holm-Hadulla, 2000, p. 355). Creativity is used regularly in everyday life as an adaptation of the individual to her/his environment through the interaction of information, words, thoughts, and emotions (Richards, 2011). Creativity enables the transition from existing to new patterns (Runco, 2004). In today’s language, creativity is anything that somehow creates something new, such as inventions, improvements, optimizations, works of art, literature, music, software, design, blueprints, and so forth (Bröckling, 2006). Creativity is particularly essential in organizations for developing innovations (Amabile et al., 1996).

McLean (2005) has claimed, “When it comes to organizations, creativity without innovation is of significantly diminished value” (p. 227). Creativity is often understood as the first step of innovation (Anderson et al., 2014, p. 1299; Amabile, 1996a; Dewett, 2007; Shipton et al., 2005; West and Sacramento, 2012). Amabile and colleagues (1996a) have argued, “Creativity by individuals and teams is a starting point for innovation; the first is a necessary but not sufficient condition for the second” (p. 1155). The development of innovation is often described as a multi-stage process in which creative work is translated into new or improved products, services, or processes (Rowley, Sambrook, and Baregheh, 2011). Van De Ven (1986) has described innovation as “the development and implementation of new ideas by people who over time engage in transactions with others within an institutional order” (p. 590). In this case, innovation refers to the use of a creative idea, typically for products, business models, or management processes. Throughout the remainder of this thesis, I concentrate on creativity in the workplace. However, scientists as well as practitioners sometimes use creativity and innovation simultaneously, and particularly companies talk often about innovation, although they mean creativity (McLean, 2005).

\[2\] In the following, the female form is always used for gender-sensitive terms.
According to Amabile (1997b), when investigating creativity, researchers need an operational understanding of creativity in order to recognize it. Researchers and scholars have used many different approaches to unravel its structure and nature (Carmeli and Schaubroeck, 2007). Most of these studies have been rooted in psychology and sociology (Ford, 1996). The creativity researcher Mel Rhodes (1961, p. 307) summarized the concept of creativity from a system-oriented perspective into four basic elements, under which he subsumed the person, the process, the product, and press (the environment) to develop a better understanding of the origin and effects of creativity. The ‘person’ involves personality traits, cognitive abilities, or behavior that affect individual creativity (see also Richards, 2011). Findlay and Lumsden (1988) have viewed creativity as a “constellation of personality and intellectual traits shown by individuals who, when given a measure of free rein, spend significant amounts of time engaged in the creative process” (p. 9). Further researchers have described creativity as a cognitive process of developing ideas (e.g., Drazin et al., 1999). The ‘process’ contains the steps, stages, and strategies within the creative process (Basadur, Gelade and Basadur, 2014). The creative ‘product’ is the output of the creative process. Lastly, ‘press’ subsumes the situational influences, such as workplace control, atmosphere, and work context, that promote or hinder the creative development of the person, processes, or products (Batey, 2012). Examining the concept from a system-oriented and conceptual perspective reveals that creativity arises from the interaction of several influencing factors and not from the interaction of individual elements. Accordingly, creativity neither develops from the isolation of the individual nor does it have a one-dimensional effect (Vessey et al., 2014, p. 673). Rather, creativity is regarded as a result of the influence of context factors (Agars et al., 2012, p. 274).

Creativity is a skill and not a gift (de Bono, 2013, p. 6). Teresa Amabile has assumed that everyone with normal capacities is able to be creative at the workplace (Amabile et al., 1996; Amabile, 2012; Amabile and Pratt, 2016). An organizational member can be considered creative when initiating or developing ideas, solutions, and improvements to products, services, applications, processes, work processes, and structures (Segler, 2000). In other words, people in different areas of activity and at all hierarchy levels of an organization have the potential to work creatively (Woodman, Sawyer, and Griffin, 1993; Amabile et al., 1996; Oldham and Cummings, 1996; Zhou and Shalley, 2013). One of the most influential and cited definitions of creativity in the work context stems from Amabile:

*Creativity is the production of novel and useful ideas by an individual or small group of individuals (Amabile, 1988, p. 126).*
Oldham and Cummings (1996) have expanded this definition. They defined creative achievements as products, ideas, or procedures that have to be novel and original; second, creative achievements have to be potentially relevant or useful for the organization. Ideas are considered novel if they are unique, unusual, varied, original, breaking from existing patterns, or contributing something new relative to other ideas currently available (Csikszentmihalyi, 1990b; Oldham and Cummings, 1996; Amabile, 1997b). For example, if a NASA engineer worked for the Mars program and designed a spacecraft that sent astronauts to Mars, NASA would see this as a useful idea, as it could also adapt the design for the construction of a spacecraft that allowed astronauts to fly to the Moon. However, if the engineers for the Mars program suggested that astronauts were supposed to ride bicycles to Mars, it would not be a useful idea, although it would be new and unique (Zhou and Shalley, 2013).

It is fair to say that this definition has a drawback. A tricky, yet perhaps unintended element of the definition is that it stresses a creative process that must result in an outcome demonstrating the quality that creativity is necessarily successful. The creative process must lead to a result that fulfills the criteria evaluated by others. In this sense, creativity needs to be socially accepted, although very liberally interpreted. A creative process may lead to output even if it is not recognized by other people, but it must be accepted by some group at some time. The issues lies whether the producer or the social group calls creativity as such (Klausen, 2010). Creativity can only arise in an organization if colleagues consider it to be creativity. The social acceptance of creativity moves to the center of attention, and the quality of the creative process is judged by the outcome. Whether creativity exists and what creativity is, therefore, lies in the discretion of others.

Creativity research has traditionally distinguished between two main forms of creative expression: “Big-C” and “Little-C” creativity (Helfand, Kaufman, and Beghetto, 2016, p. 16). The Four C Model of creativity from Kaufman and Beghetto (2009) is an extended model of the Big-C and Little-C approach, which supplements the proceeding model by two further components and differentiates it further for practical use: “Mini-C” and “Pro-C” creativity (p. 1). Big-C creativity crafts a major contribution in a domain in order for a discovery to occur (Plucker, Beghetto, and Dow, 2004, p. 85) and is probably what most people think of creativity (Helfand, Kaufman, and Beghetto, 2016). Little-C creativity is similar to the “Everyday Creativity” from Richards (2007, p. 25). It manifests itself in daily actions. Little-C creativity generates a solution to a problem but without a major impact in a field. In other words, Little-C implies improvements to existing practices and products (Piffer, 2012). Mini-C creativity is similar to Little-C, but Mini-C lies
at the beginning of a personal creative learning process – for example, an employee is facing the task of organizing a workshop for the first time. Lastly, Pro-C creativity is when the systematic creation of creativity is directly related to a profession. It is particularly pronounced among artists and designers (Kaufman and Beghetto, 2009; Helfand, Kaufman, and Beghetto, 2016). Creativity is ubiquitous, and it ranges from adaptations of changes to radical breakthroughs (Madjar, Greenberg, and Chen, 2011).

In summary, creativity relates problem-finding and problem-solving; it is a part of reaction and is also proactive in dealing with changes (Runco, 2004). Kabanoff and Rossiter (1994) have described creativity as a process of finding and solving a complex problem in an industrial, organizational, or social context. Creativity is not innovation, but rather is the necessary starting point within innovation development (Kandler et al., 2016). Creativity includes a constellation of cognitive abilities, personality traits, processes, and products, as well as situational characteristics. Creativity arises from the interplay of these different elements (Batey, 2012; Vessey and Mumford, 2012). Every person has the potential to be creative and to express themselves creatively. Creative work is always directly related to the social context, because whether something is creative is determined through social exchange (Klausen, 2010). There are different forms of creativity in organizations, from an idea for improvement to ideas that result in a tremendous amount of change. Creative behavior is the individual expression aimed at generating creativity (George and Zhou, 2001). Turnipseed (1994) has claimed that creativity is not something that can be “turned on” at will, but through the result of promoting creative behavior in an encouraging and open environment (p. 191). Csikszentmihalyi (1996) has exposed the importance of the environment where creativity takes place. Identification of ways to stimulate creativity in the workplace is crucial. Many researchers agree that creativity is mostly supported when individuals have a high level of freedom when conducting work (Bailyn, 1985; Amabile and Sansabaugh, 1992; Amabile et al., 1996; Zhou, 1998; Ceci and Kumar, 2015). In contrast, organizational control dimensions limit the creativity of employees (Amabile, 1998; Elsbach and Hargadon, 2006). Freedom increases the scope for creativity, while any form of control reduces capacity (Johnson-Laird, 1988). In general, situations in which individuals have freedom and self-control favor creative behavior (Glynn, 1996). Within the creative process, constraints can be conducive to creativity (see Onarheim, 2012). However, in terms of working environment, freedom has the most favorable influence on creative behavior (Amabile and Gryskiewicz, 1989; Amabile et al., 1996; Isaksen and Ekvall, 2010; Holz, 2013).
Figure 2–1 simplifies the fact that, within creativity research, freedom contrasts with control. The more freedom is allowed, the greater the possibilities for creative expression. Therefore, creativity is highly ambivalent—it is an equally desirable resource for organizations, but it requires freedom in order to emerge (Bröckling, 2006). In the following, I analyze creativity separately in the contexts of freedom and control in order to build an understanding of how freedom and control influence creative behavior.

2.1.1 Creativity and Freedom

Many different researchers have claimed the importance of freedom at the workplace as an influence for creativity (e.g., Amabile, 1998; Turnipseed, 1994; Soriano de Alencar and Bruno-Faria, 1997; Sagiv et al., 2010; Perez-freije and Enkel, 2007; Johnson-Laird, 1988). According to the traditional approach, creativity presupposes freedom (e.g., Wallas, 1926; Guilford, 1950; Csikszentmihalyi, 1990b). Freedom for creativity means free thinking and production of ideas in an organizational context (Sagiv et al., 2010). Free thinking of ideas contains a step that cannot be appropriately defined, analyzed, or reconstructed (Johnson-Laird, 1988). For example, Boden (1996) has argued that individuals rarely know how their own ideas arise; intuition is often mentioned, but little is known about its exact role in the creative process. The approach assumes that individuals must overcome mental barriers to produce creative ideas, and therefore freedom must be ensured by eliminating direction, regulations, rules and pressure (Csikszentmihalyi, 1996). Such elimination of obstacles is intended to increase the accessibility of ideas created and perceived as from an endless realm of ideas (Linke, 2006). Johnson-Laird (1988, p. 207) has argued that, when an individual perceives freedom, the range of possibilities for generating ideas increases. Amabile and Gitomer (1984) have exposed that creativity rises when individuals have the choice in how to execute tasks.
Amabile (1998) has also pointed out that employees are more creative if the organization gives them the freedom to decide “how to climb a particular mountain” (p. 20). Shalley (1991) has discovered that having control over the process of executing a task leads to a higher form of creativity, while low task freedom exhibits low creativity. In a high form of task freedom, individuals have the freedom to choose and decide the method and procedure for completing the work, which positively influences creativity (Hackman and Oldham, 1980; Zhou, 1998). Oldham and Cummings (1996) and Liu, Chen, and Yao (2010) have also discovered similar results suggesting freedom as a positive influence for creative behavior. Individuals with high level of freedom express more creative behavior, because they organize their actions according to their own goals and interests. Similarly, in two other studies, Ramamoorthy and colleagues (2005) and Unsworth, Wall, and Carter (2005) have discovered that freedom is associated to creative behavior through the requirement or commitment to be creative. These studies suggest that providing organizational members freedom increases their perceived obligation towards creativity. A recent study reveals that organizational members associate creative behavior in the workplace directly with concepts such as freedom and empowerment (ZAAG, 2016).

With freedom, organizational members are more likely to discover new and better ways to complete their work and develop new solutions. Freedom allows them to feel like the creators of their work (Zhou and Shalley, 2013). The reason for this association lies in the circumstance that work activities with a high degree of freedom give the employee more scope to set goals herself (Shalley, 1991; Gagné and Deci, 2005). This leads to higher intrinsic motivation for work, because people are the originators of the work (Hackman and Oldham, 1976; Amabile et al., 1996). The concept of the “intrinsic motivation” first became relevant within the self-determination theory by Deci and Ryan (1971, p. 105; 1987). Amabile (1997c) defined intrinsic motivation as “the motivation to work on something because it is interesting, involving, exciting, satisfying, or personally challenging” (p. 39). Intrinsic motivation is the type of motivation that arises from a person’s interest and curiosity in, commitment to, and satisfaction with dealing with her task (Amabile et al., 1996). Intrinsic motivation is a fundamental component of creativity (Eisenberger and Shanock, 2003; Dewett, 2007; Grant and Berry, 2011). An intrinsically motivated person is truly engaged in her activity because she is free of external concerns about the extrinsic aims of the activity (Auger and Woodman, 2016). The “Componential Theory of Creativity” underlines the function of motivation in increasing or reducing creativity (Amabile, 1997b, p. 42; Amabile and Pratt, 2016). According to this theory, three components must apply for someone to have a high degree of creativity in organizations: 1) subject-specific knowledge and related skills, 2) creative thinking skills, and
3) intrinsic motivation to work on the task. Irrespective of how much knowledge or skill a person has in a particular field, and regardless of how someone develops creative ideas, without intrinsic motivation, an individual cannot get involved in the task and persevere with it (Amabile, 1998). Shalley and colleagues (2004) have revealed that intrinsic motivation increases creative behavior by enhancing positive affect, cognitive flexibility, and risk-taking. The intrinsic motivation contrasts extrinsic motivation, which derives from external pressures or constraints (Eisenberger and Rhoades, 2001; Amabile and Pratt, 2016). According to Amabile (1996, 1997b, 1998), many organizations struggle to provide freedom to increase intrinsic motivation due to their common preference for extrinsic motivation tools, such as reward, defined goals, and frequent feedback on the work. Employees only motivated by external pressures may completely lose their intrinsic motivation, and the only way to motivate them again is by applying even more external pressure (Amabile, 1997b; Auger and Woodman, 2016). At a certain ratio, however, extrinsic motivation may improve intrinsic motivation. If the initial level of intrinsic motivation is high, extrinsic motivation can contribute to further increasing the level of motivation. But if the initial level of intrinsic motivation is low, the extrinsic motivation disables the intrinsic motivation completely (Amabile et al., 1996). In other words, intrinsic motivation is crucial for creativity, while extrinsic motivation can lead to more intrinsic motivation, or defuse it (Dewett, 2007).

In this context, Unsworth (2001, p. 291) have revealed in his matrix that, the broader the freedom is, the stronger the motivation and creativity. The matrix has two dimensions: the driver for the engagement (external or internal) and the problem type (closed or open). The dimension “Driver Type” describes why participants are involved in creative tasks, and the dimension “Problem Type” defines the initial state of the trigger for problem-solving. The externally-driven and closed problem field is labeled “Responsive Creativity,” in which people are presented with a problem and have external demands to engage in creativity. Here, people have the least control and choice over problem-solving tasks. In this case, the intrinsic motivation is low. The externally-driven and open-problem field is called “Expected Creativity.” Expected Creativity means participants are able to choose their way to solve the external driven problems. For example, customer satisfaction is decreasing and organizational members need to generate ideas to solve this issue. The intrinsic motivation is higher than with Expected Creativity. “Contributory Creativity” is an internally-driven and closed field. This classification labels a type of creativity that is based on a defined problem and is self-determined. The organization identifies a problem and the people voluntarily decide to participant in problem-solving tasks. Intrinsic and extrinsic motivation is in balance, and the constraints can positively
influence creativity (see Onarheim, 2012). The last category is called “Proactive Creativity.” Proactive creativity is when intrinsic motivation is high and organizational members actively look for problems to solve (Unsworth, 2001).

Moreover, freedom allows organizational members to define work within adequate limits (Amabile et al., 2002; Ford and Sullivan, 2004; Hemlin, Allwood, and Martin, 2008). Freedom means that employees determine resources for creativity at their disposal (Rosso, 2014); employees are creative when they are provided with enough resources, such as time to generate ideas (Amabile, 1988; Amabile et al., 1996). If there are rigid requirements, it impedes the development of ideas. The flexible use of resources stimulates variation and experimentation, which can be sources of creative ideas (Carmeli and Schaubroeck, 2007; Agars et al., 2012). In addition, self-determination of resources can divide the work content into time periods appropriate to her personal preferences and phases of concentration (Witt and Beorkrem, 1989). Routine activities can thus be shifted to phases in which concentration is low. More mentally demanding activities, on the other hand, can be carried out in phases during which personal performance is high. As creativity is considered to be a cognitively demanding activity in which knowledge and information from different areas are combined and recombined with each other (Amabile et al., 1996), it appears reasonable to consider placing this kind of work in the phases of the highest personal performance (Zhou and Shalley, 2013). In contrast, Amabile and colleagues (2002) have found that time pressure within organizations can undermine the cognitive processes (task identification, preparation, response generation, and response validation) that are necessary to generate creative outputs. For example, organizational members need time to develop various responses, and, the more responses that are generated, the more likely it is that one of those responses is creative. Time is also important for incubation (Runco, 2004), which is “when conscious work stops and attention is directed to other things, while the creative process continues unconsciously” (Dul and Ceylan, 2011, p. 13).
In summary, there is an essential interface between creativity and freedom (Amabile and Pillemer, 2012; Anderson, Potočnik, and Zhou, 2014). Freedom increases the possibilities for creativity and expands the choices for creative tasks. Figure 2–2 symbolically reveals the current state of my theoretical analysis. When organizational members are given freedom to determine how they perform the task creatively, they become the creators of their work. This leads to intrinsic motivation, which is crucial for creativity (Eisenberger and Shanock, 2003). In this sense, it is important that individuals want to be creative; otherwise, they will not be able to participate in creative work (Reckwitz, 2012b). Different conditions can influence the freedom, and thus the motivation, for creativity. The more freedom there is in the sense of identifying problems and solutions, the more motivation and creative potential increases. Self-determination of resources is a prerequisite for being creative. In this sense, freedom for creativity involves, motivation and self-determination of resources.

2.1.2 Creativity and Control

The paradox between control and creativity creates tension and conflict between existing systems and practices in organizations and employees attempting to come up with new and better ways of doing things. The tension and conflict put enormous pressure on the employees and can induce affective states such as frustration and irritation (Zhou and George, 2003, p. 546).

Within creativity research, the primary factor identified that hinders creativity in the workplace is control (e.g., Kanter, 1983; Oldham and Cummings, 1996; Amabile, 1998). Various studies have shown that the restriction of freedom and the experience of external control undermines creativity (e.g., Amabile et al., 2004; Hennessey and Amabile, 2010;
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Liu, Chen, and Yao, 2010; Zhang and Bartol, 2010). Organizations usually instill control mechanism to ensure consistency and efficiency, but they restrain creative behavior (Gilson et al., 2005; Adler and Chen, 2011; Hirst et al., 2011; Shalley and Gilson, 2017). Kanter (1983) has argued that organizations that focus on controlling action, decision-making, and information flow inhibit creativity. Hirst and colleagues (2011) have distinguished two main dimensions of control that negatively influence creativity: 1) centralization and 2) formalization (p. 626).

**Centralization** refers to the power distributed through organizational hierarchy and whether employees participate in decision-making (Van De Ven, 1986; Tierney, Farmer, and Graen, 1999). A low level of centralization covers a context in which all employees are involved and have the opportunity to act on their own decisions. If decisions have to be made by a select few superiors, centralization is high (Hirst et al., 2011). In this context, low centralization is also referred to as empowering (Liu et al., 2011). By relying on a high level of centralization, organizations lower the effect of spontaneity and creativity because the hierarchical levels slow down the communication and exchange of ideas (Stohl and Cheney, 2001). Amabile and Sansabaugh (1992), and later Zhou and George (2003) have found that high centralization reduces employees’ actions or their decisions, and, consequently, their creative behavior. In other words, if more centralized decision-making is perceived as a control factor that decreases intrinsic motivation, then the use of such control forms is at the expense of creativity (Amabile, 1998; Hirst et al., 2011; Grabner and Speckbacher, 2016). Centralization may imply mainly attention to orders or supervisors, rather than the creative execution of a task (Csikszentmihalyi, 1990b; Stohl and Cheney, 2001). Williams (2001) have also argued that there is strong evidence that centralization can affect creative behavior. Supervisor can foster creativity by granting employees the freedom and encouragement to be creative, but they can also intimidate employees through their behavior and control (see also Mainemelis, Kark, and Epitropaki, 2015). Moreover, Grabner and Speckbacher (2016, p. 34) have even argued that, when superiors lack expertise, their instructions and rules can lead to distorted efforts and discourage organizational members from gathering and sharing expert knowledge to develop ideas. Decentralized decision-making can therefore play a central role when it comes to increasing intrinsic motivation and identifying tendencies towards creative behavior (Andriopoulos, 2001; Zhou and George, 2003; Goncalo and Staw, 2006).

**Formalization** refers to the scope of the specified rules and the standardized procedures (Hirst et al., 2011). Increasing formalization reduces the degree of freedom of organizational members by formalizing procedures, sanctioning actions, and defining
specific instructions for measures (Raub, 2008). In other words, formalization regulates and restrains individual behavior. Formalizations funnels and homogenizes the individual expression to a small set of choices, which, in turn, reduces creative behavior (Kanter, 1983; Bolin and Harenstam, 2008; Grabner and Speckbacher, 2016). The ability of the organization to promote creativity is limited because structure, rules, and standardizations inhibit the scope for creative behavior (Sanders and Kianty, 2006). Particularly regarding factors that are proposed to control an individual’s engagement task in order to maximize business imperatives, such productivity and scale have a negative connotation for creativity (Amabile et al., 1996). Damanpour (1991) has found that excessive formalization often proves to be an obstacle to creativity and innovation. It hinders the flow of information and prevent creative processes and fast reactions to market changes by taking too long of a decision path. Zhou and Shalley (2003) have reported that formalization over the timing, pacing, and quality of work negatively influences creative behavior. Maravelias (2003) has argued that formalizations make organizations stale, slow, and unable to operate in volatile markets’ demand for constant creativity and innovation. Furthermore, research reveals that the rules and pressure to achieve predefined goals and objectives for performance evaluation are perceived as comprising a control factor, which, in turn, decreases intrinsic motivation (Grabner and Speckbacher, 2016). This means evaluation increases the presence of extrinsic motivation, which has the potential to decrease creativity (Johnson-Laird, 1988; Amabile, Hadley, and Kramer, 2002; Sagiv et al., 2010; McMahon and Ford, 2013). Taken together, creativity is inhibited when organizational members work within guidelines and roles, and when they have only little scope to redefine work (Isaksen et al., 2001).

Figure 2–3: Interface Between Creativity and Control. Own figure.

Figure 2–3 is a synopsis of the process of my theoretical analysis. In summary, studies reveal that control appears to affect creativity negatively, whereas freedom promotes
creativity (e.g., Amabile et al., 1996b; Amabile, 1998; Ekvall, 1996; Isaksen and Akkermans, 2011; Sternberg, 1999). Control requires that organizational members accept predefined goals, conform to specific standards and rules, and sacrifice individual interests, which reduces freedom and the intrinsic motivation needed for creativity (Amabile, 1996; Gilson and Shalley, 2004; Adler and Chen, 2011). Zhou and George (2003) have summarized the contradiction of creativity and control as follows: “On the one hand, organizations are highly dependent upon control systems, standardized practices, and routines on ensuring smooth and efficient operations. These systems have the unintended consequence of shutting down the innate creative propensities of organizational members” (p. 546).
2.2 Freedom

This section introduces the term of individual freedom and describes freedom in organizations. As freedom is not sufficiently defined for this thesis within creativity research, an excursion is necessary to understand freedom in the workplace.

The concept of freedom not only is constantly under discussion and thus in a state of perpetual change (Linke, 2006), but also encompasses psychological, social, cultural, religious, political, and legal dimensions at the same time (Steiner, 2004). Some scholars discuss freedom as an immanent presupposition because they have taken the common perception of freedom into account: most people feel free in the handling of everyday life (Dreher, 1987). The term ‘freedom’ can appear in many different concepts. These include freedom of opinion, freedom of will, freedom of choice, freedom of action, freedom of movement, freedom of education, freedom of religion, freedom of the press, freedom of contract, and so forth (Reiters, 2017). Numerous aspects of the basic concept of individual freedom can be distinguished and treated separately; however, the most common approaches to framing individual freedom are “free will” and “freedom of action” (Beckermann, 2005; Seebaß, 2007; van Dun, 2010). In this regard, I introduce the terms free will and freedom of action to explain individual freedom and to transfer the concept into organizations.

2.2.1 Individual Freedom

The initial understanding of individual freedom is free will, that is, a person is able to choose a course of action from among various alternatives (Kane, 1998; Beckermann, 2005). Aristotle placed the human and her freedom of choice in concrete conditions (Kane, 1998, p. 30). Rational considerations guide and determine the choice and the course of action of a person. The knowledge of the ‘right’ choice is of particular importance to Aristotle because the ‘good’ must be recognized and thus be sought with the right value (Reiters, 2017). In contrast, Schopenhauer (1841) claimed that people have absolutely no free will; people are entirely determined by the reaction to stimuli, causes, and motives. He argued that someone is only considered free if there is no limitation to her doing what she will. This means that freedom is the absence of limitations in general (Janaway, 2012). They weigh alternatives, make decisions, and assign responsibility for selected options. This can be illustrated by one example: a simple purchase decision for any product in a random store. As with most transactions, this purchasing is perceived as free. Any restrictive constraints, such as price, the effectiveness of advertising, the importance of the product to the buyer, the available resources or alternatives to the
selection, are not considered to be determined. Instead, the impression arises that a person can decide freely which product she purchases.

The concept of freedom implies a paradox. If a person can choose from different opportunities and desires, then many options restrict actions. This means that fewer choices liberate the person. In this sense, freedom itself is predetermined, as all occurrences are causally connected in a chain that goes back to the beginning of humanity (Reiters, 2017). The idea of freedom as the nonexistence of coercion, so-called “negative freedom” was introduced by Immanuel Kant (Wendel, 2007, p. 254), but the Russian-British social philosopher Isaiah Berlin extended this discussion (Berlin, 1969, p. 169):

*I shall call the ‘negative’ sense, is involved in the answer to the question 'What is the area within which the subject – a person or group of persons – is or should be left to do or be what he is able to do or be, without interference by other persons?' The second, which I shall call the ‘positive’ sense, is involved in the answer to the question 'What, or who, is the source of control or interference that can determine someone to do, or be, this rather than that?' The two questions are clearly different, even though the answers to them may overlap.*

In other words, “negative freedom” means that a person is protected from oppression and the random practice of authority, while “positive freedom” relates to the freedom that comes from self-control (Sauter, 2011). Negative freedom means the absence of external coercion, obstacles, and barriers (‘free of ...’). The absence of this freedom would make a person’s behavior and action more difficult or even impossible. Positive freedom is the ability to decide something because of rational arguments (‘to be free to ...’). The positive concept of freedom presupposes a person’s free will (Berlin, 1969). For example, a person drives to a tobacconist because she is addicted to cigarettes. There is freedom because there are no external physical or legal obstacles preventing the drive to the tobacconist (except possibly by detours). However, it may also be called an unfree (unwilling will), because the addiction ‘leads’ the person. In other words, there are psychological internal obstacles that restrict possibilities and ‘force’ the person to drive to the store. Moreover, the person knows that when she goes to the tobacconist, she may no longer reach other goals. This is an example of freedom without free will.

Sen (1992) has distinguished two characteristics of freedom: freedom as providing opportunities to achieve what is valued, and freedom as a process of distinguishing the
liberation of decision-making. First, Sen has argued that freedom involves the ability to choose diverse opportunities to achieve objectives that are valued by an individual. Freedom refers to the possibilities a person has to achieve something that she may or do value – even if the process by which performance is achieved is undefined. In addition, a person could appreciate the variety of possibilities by not reducing the value of maximum performance, “even though the maximal value must figure substantively in that reckoning” (Sen, 1993, p. 523). Second, freedom involves liberation of decision-making, and resistance to restriction. The first aspect is understood as the operational role that a person plays in the process of choice. For example, whether a person makes a choice by herself or with other individuals or institutions. In addition, immunity from restriction is a concept similar to the “negative freedom” aspect described by Berlin. To be considered freedom, the process needs to include immunity from interferences by the people. In this context, the “absence of restriction on freedom allows autonomy, achievement and thus human flourishing” (Collier and Esteban, 1999, p. 184).

In a concept similar to that of Sen (1993), Beckermann (2005) has claimed that freedom is limited because it is constantly subject to coercion and control. He defined the following conditions to be considered as free (p. 2):

1. There must be a choice between different alternatives: I must be able to decide this way or that way (could have chosen otherwise condition).

2. The choice that is made must depend on me (authorship condition).

3. My choice must not be subject to any kind of constraint. My choice must itself be free (control condition).

The three essential conditions for freedom are noted: 1) choice options, 2) authorship, and 3) control. First, choice options mean that there are various alternatives that a person can choose freely. The second condition is authorship. Authorship means that actions, decisions, and some considerations are considered as one’s own. Lastly, control condition means that a person is responsible for her decisions and desires, which form the basis of the decisions. On the one hand, decisions are free only if they are based on purposes and preferences initiating not from conditions beyond control but ultimately created by the person. On the other hand, decisions that are made are free because the person wants to make them, without being subject to inner or outer restrictions (Beckermann, 2005, p. 19). Hegemann (2012, p. 83) has claimed that people are only free when they
understand themselves as determined and if they do so, they are able to overcome their determinations.

The aforementioned theories and concepts refer to free will as the main concept of freedom because, when a person makes decisions of her own free will, it is to be assumed that she has made the decision so that action can be initiated (Sauter, 2011). In other words, free will forms the basis for freedom of action. For Hume (1999, p. 159), only freedom of action is considered freedom.

*By liberty, then, we can only mean a power of acting or not acting, according to the determinations of the will; that is, if we choose to remain at rest, we may; if we choose to move, we also may. Now this hypothetical liberty is universally allowed to belong to everyone, who is not a prisoner and in chains. Here then is no subject of dispute.*

This freedom is determined because it depends on the determinations of the will. If a person believes that there is a choice between two options for action, the person has already judged mentally which action to actually carry out. The various reasons for action are weighed against each other. In this case, freedom of action is based on free will. In contrast, if the action were determined by external constraints, there would be no free will. For example, a person freely decides that she will lift the left and not the right index finger, but the left-hand finger is tied. In this case, the person has no freedom of action. Only if both fingers were free to lift would it be considered freedom.

Although there are no simple answers to the question of what individual freedom is, I expand the definition of free will by Beckermann (2005, p. 2) with the freedom of action. Table 2–1 (p. 34) reveals the summarized concept of individual freedom. Individual freedom is composed of four aspects: 1) substantive opportunities, 2) process considerations, 3) control mechanism, and 4) execution of the decision. Individual freedom exists if a person chooses freely of her own will from different and unrestricted possibilities and implements her decision. For example, a person is in bed on a Saturday morning and she has no tasks for that day. She has the choice to sleep longer or to get up. She makes the decision to get up and leaves her bed.
Table 2–1: Concept of Individual Freedom, Based on Beckermann (2005, p. 2).

<table>
<thead>
<tr>
<th>Concept</th>
<th>Aspect</th>
<th>Description</th>
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<tbody>
<tr>
<td>Free will</td>
<td>Substantive opportunities</td>
<td>A person is able to choose between different alternatives.</td>
</tr>
<tr>
<td></td>
<td>Process considerations</td>
<td>The decision that is made depends on the person.</td>
</tr>
<tr>
<td></td>
<td>Control mechanism</td>
<td>Her decision must not be subject to any kind of constraint. Her decision must itself be free.</td>
</tr>
<tr>
<td>Freedom of action</td>
<td>Execution of the decision</td>
<td>A person executes her decision.</td>
</tr>
</tbody>
</table>

In summary, in a strictly theoretical sense, freedom means that a person has the ability to create new chains of causality on the basis of her free will. In addition, a distinction can be made between negative and positive freedom. Negative freedom means ‘free of …’ and positive freedom means ‘to be free to …’ An example of negative freedom is when a person is free to express her opinion without being prevented from doing so. Positive freedom would mean, for example, that the communication tools and access to media were available to exercise freedom of expression or, more broadly, that the respective opinion were actually expressed. Brehm and Brehm (1981) have argued that freedom is always the result of subjective reality. When a person perceives freedom as such, freedom exists for that person. Undoubtedly, a person may consider herself free, even if another person in the same situation considered herself controlled. This freedom is based on the feeling that a person is able to decide on a particular action, on the impression that she is directly in control of her actions, on the feeling that her future is not yet (or not completely) determined, and on the consistency of individual, emotional, social-emotional, and rational motives (Sauter, 2011).

The concept of autonomy plays an essential role in the understanding of individual freedom in relation to the world, to another, or to her own inner self. “Autonomy” is a composition of two Greek words (“autos” and “nomos”), and the literal meaning is self-control or self-governance (van Dun, 2010, p. 3). Autonomy is also sometimes called ‘positive freedom’ because individual freedom is related to the social context (Baynes, 2007). Autonomy involves the idea that desires, choices, and actions are all partly caused by influences of external and internal legislation (Honderich, 2005). Autonomy means that a person’s action is based on an inner endorsement, in the sense that the decision originates from the person and that it is her own choice built on external maxims of action.

3 The “self” is the place of the subjective experience of an individual in the world. In normal use, it is loosely defined as and is typically understood to capture the entire psychological structure of the individual, as well as mental mechanisms (Kunda, 1992, p. 271).
Autonomy’s antonym is ‘heteronomy,’ which means “living under the rule of another, or more generally, under a rule that is not of one’s own making” (van Dun, 2010, p. 3). Deci and Ryan (1987) have argued that the issue of autonomy and heteronomy (hereinafter called ‘control’) in human behavior is whether a person understands the context as supporting her autonomy (encouraging one to make her own choices) or controlling her behavior (pressuring her toward particular outcomes). In a context supporting autonomy, a person feels free in her own behavior, whereas a controlled person feels like she is trapped by external forces (DeCharms, 1968). The self-determination theory by Deci and Ryan (1985, 1987, 2000) suggests that a person has basic desire for autonomy, competence, and relatedness. The context that supports the fulfillment of these desires promotes the enjoyment of the activities. A person is more intrinsically motivated if she can freely choose the activity (autonomy), if she is competent in the activity (competence), and if she feels assisted by key people, such as a superior or a parent (relatedness). Early research focused on how the loss of practiced autonomy influences intrinsic motivation. For example, research has revealed that controlling rewards (Deci and Ryan, 1987), time pressure (Amabile, Dejong, and Lepper, 1976), and evaluation (Amabile, 1979) may decrease the enjoyment of an action, whereas choice (Zuckerman et al., 1978) may increase it. The self-determination theory is also the basis for Amabile’s results regarding the relationship between intrinsic motivation and creativity (e.g., Amabile and Gitomer, 1984; Amabile, 1997b, 2012) (see also Section 2.1.1 Creativity and Freedom).

Particularly in organizations, this relationship of tension between autonomy and control exists (Bailyn, 1985). Therefore, it is perhaps not surprising that most organization theorists refer to autonomy rather than freedom. Yet, sometimes researchers use the term freedom synonymously with autonomy. The concept of autonomy in organizations indicates the freedom of an individual to execute her work as she wishes (Ohly and Plückthun, 2013). Locke (2000) has defined autonomy as the degree to which staff have self-control and options for how to conduct their work. Hackman and Oldham (1976) have determined autonomy as “the degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work and in determining the procedures to be used in carrying it out” (p. 258). Further, autonomy is closely connected to empowerment, as both relate to having the freedom and power to decide (Conger and Kanungo, 1988; Kirkman and Rosen, 1999; Liu et al., 2011). Accordingly, empowerment is a prerequisite for autonomy in organizations (Liu et al., 2011). Conger and Kanungo (1988) have defined empowerment “as a process of enhancing feelings of self-efficacy among organizational members through the identification of conditions that
foster powerlessness and through their removal by both formal organizational practices and informal techniques of providing efficacy information” (p. 474). The organizational member is empowered to “do something,” and if the “something” is outside the management interpretation, the organizational members must defend herself. In contrast, autonomy implies the legitimacy to do what a person wants without asking permission, and without limiting the scope of that right (Lincoln et al., 2002).

For the further course of this thesis, I use the term ‘freedom’ instead of ‘autonomy’ to simplify the concept. However, I place freedom in an organizational context to maintain the tension between freedom and control. I describe freedom in organizations as follows: an organizational member has the opportunity to choose from different alternatives. The decision depends on this member and is not exercised by control. The member has the power to implement her decision.

2.2.2 Freedom in Organizations

For the examination of freedom in an organizational context, Fleming (2009, p. 149) has distinguished between three forms: 1) freedom through work, 2) freedom around work, and 3) freedom from work (see also Fleming and Mandarini, 2009, p. 341). The attempt to find freedom in organizations shapes the importance of work in very different ways (Fleming, 2009). Freedom through work is the classic understanding of freedom in organizations and means that employees take a keen interest in their responsibility for the outcome of the task (Fleming and Mandarini, 2009). Freedom through work refers to the degree to which an employee has control over how to perform the work (e.g., Hackman and Oldham, 1980; Zhou, 1998). Organizational members are provided with freedom of decision-making power to choose the task execution (Gagné, Koestner, and Zuckerman, 2000). Freedom through work can contain the following points: the independent setting of goals, independent preparation for action, selection of resources including the necessary interactions, execution, process feedback, and the chance to check the results for conformity with the goals set by oneself (Georg, Hien, and Peter, 2007). The organizational goals are an essential element for freedom through work (Annosi and Brunetta, 2017, p. 7). Goals guide the employees so that they obtain more freedom to perform tasks according to their preferences (Ross, 2004; Krause, 2015). Performance no longer matters, but the common goal does. It is not relevant how or even where the work is done, but whether the goal is achieved in the end. Organizational members have the freedom to work remotely, away from the workplace for some or all the time and with work schedules that are progressively flexible (Spreitzer, Cameron, and Garrett, 2017). Freedom around
work means the ways in which organizational members express themselves around tasks. The true self is essential in this form of freedom (Fleming, 2009; Cederström, 2011; Barnett and Deutsch, 2016). Organizational members no longer need to distinguish between their organization and their private self. In other words, employees are invited to bring their private life into the organization (e.g., Semler, 1995; Fleming and Sturdy, 2009; Costas, 2012). This includes interests, hobbies, sexuality, lifestyle, humor, and so forth. In particular, humor and fun are intended to permeate a significant part of the workplace (Deal and Key, 1998; Kane, 2004; Fleming, 2005). This aspect of freedom around work involves a fun environment, for instance, offering leisure activities and allowing humor in the workplace. Lastly, freedom from work means the discussion of alternatives to the current design of “a job” (Fleming and Mandarini, 2009, p. 342). This means that a person prefers non-work or less work in order to increase the degree of freedom. As I am focusing on the understanding of freedom and control within an organization, I do not go into further detail regarding the form of freedom. Within these forms of freedom, the tension between micro-emancipation (Alvesson and Willmott, 1992) and utopian freedom (Parker, Fournier, and Reedy, 2007) remains. The degree of freedom varies from organization to organization, and the organization sets how much and what form of freedom they allow (Fleming and Mandarini, 2009; Walker, 2011). Figure 2–4 reveals the forms in relation to the workplace in a simplified manner.

![Diagram of Freedom in Organizations](image)

In summary, freedom is individual and takes place in relation to others. Freedom means not having to follow external or internal constraints. A person is only free if she follows her free will with actions. Freedom means having the power to make decisions and to put them into practice. For Foucault (1983), power was a basic condition for freedom, because freedom can only be realized through power. According to this view, Fiol (1991, p. 548) has argued that “power lies in the freedom of choice that is reflected in overt behavior.” In the organizational context, therefore, organizational members have the power to implement their decisions. This definition is based on the belief in the
inherent freedom of the individual to interpret and meaningfully shape her situation and
to create and recreate herself within socially imposed constraints (Kunda, 1992). This
freedom of decision and implementation in an organization can be found in two forms:
freedom through work, which can be directly related to work and freedom around work.
2.3 Control

The following section introduces the third concept of this thesis. It introduces various forms of control in relation to freedom. Bureaucratic control, normative control, market rationalism, and neo-normative control are considered individually according to their historical origins to examine continuities and differences.

Workplace control restricts individual behavior and keeps it in line with the rational organizational plan (Tannenbaum, 1968), whereas freedom refers to the independence and choice an organizational member has in executing work or around work (Hackman and Oldham, 1976; Fleming, 2009; Walker, 2011). In this sense, workplace control stands in contrast to freedom. Control practices include methods as rationalization, socialization, cultural norms, and management, which restrict individual behavior (Kunda, 1992). Workplace control can be direct and visible or inconspicuous and outside of individuals’ notions (Krause, 2015). Child (2015) has described workplace control as “a process whereby management or other groups are able to initiate and regulate the conduct of activities such that their results accord with the goals and expectation held by those groups” (p. 144).

Every organization implies a particular form of control that has changed over time and has adapted to market requirements (Clegg, da Cunha, and e Cunha, 2002) – from Alvin Gouldner’s (1954) work on the change from disciplinary to bureaucratic control in factories to studies of corporate culture (e.g., Deal and Kennedy, 1982) to more recent studies of neo-normative control (e.g., Fleming and Sturdy, 2009). Barley and Kunda (1992) have claimed that workplace control has shifted back and forth between authoritarian and value-centric form, which they called “rational” and “normative” (p. 363). Rational control is preferably a direct and visible control form, whereas normative control is inconspicuous. These shifts are influenced by external environments with trends and patterns. Even though workplaces have shifted between rational and normative control mechanisms over time, organizations have transformed from very efficient to more adaptable, where employees are given more freedom to adapt to market changes (Cummings and Worley, 2009).

As Kunda and Van Maanen (1999) have suggested, workplace control builds on, rather than replaces other forms. Boltanski and Chiapello (2005) have argued that control forms invariably have key continuities between present and past. Other researchers have claimed that organizations have used combinations of control that include a mix of
formal, structural components and more flexible, processual parts to deal with market requirements (e.g., Alvesson and Willmott, 2002; Hodgson, 2004). The emergent neo-normative control theory suggests that freedom is the crucial component of the contemporary workplace (Walker, 2011). Neo-normative control, as the name suggests, is normative-shaped, although it also has elements of rational control forms (Cederström and Grassman, 2008; Fleming, 2009; Fleming and Sturdy, 2009, 2011; Walker, 2011). Neo-normative control uses new procedures of ‘liberation’ so that organizational members are encouraged to flourish, to be authentic, to make decisions, and to see themselves as an essential element of the entire organization (Fleming, 2009; Morris, Farrell, and Reed, 2016). Neo-normative form is the most current form of control, which allows the highest degree of freedom (Walker, 2011). Therefore, the focus of this theoretical background is to build a foundation for neo-normative control. In the following, I analyze bureaucratic control, normative control, and market rationalism since their emergence, with their characteristic features and their limitations, to generate an understanding of neo-normative control. Figure 2–5 indicates that this section is used to analyze the third interface.

2.3.1 Bureaucracy

With the development of large and efficiency-oriented industrial facilities in the late 19th century, the need for efficient administrative structures emerged that required the precise, predictable, and fast completion of official business (Weik and Lang, 2005; Sanders and Kianty, 2006). The appearance of large organizations led to the emergence of administrative structures that increasingly invaded individual freedom. Freedom had to increasingly obey an anonymous order, which had to be understood if a person wanted to act within it (Weik and Lang, 2005; Sanders and Kianty, 2006). There was a need for explanation, and Max Weber belonged to the group of authors who asked this question. Weber (1980)
offered the first extensive sociological analysis of bureaucracy and used it to refer to the appearance of rational-legal authority in the domain of administration. The bureaucratic adoption of governmental work by professional officials had the advantage of gaining and maintaining experience, which resulted in greater knowledge of the people’s interests. Officials held a position of power that, on the one hand, hardly reflected their social standing and, on the other hand, was often in contrast to the actual government. Their task was to serve the administration and, as professional state administrators, to exercise competent control. Towards the end of the 19th century, two different approaches to organization theory emerged: Weber’s bureaucracy approach and the scientific management of Frederick Winslow Taylor (1947). While Weber’s analyses focused mainly on the largely bureaucratic administration of the newly emerging large organizations, Taylor looked pragmatically for new production principles with which technological developments are needed to increase efficiency in factories (Sanders and Kianty, 2006). Taylor (1947) contended that organizations needed to optimize the production process based on micro-managing to be successful.

Weber saw bureaucracy as the most efficient and fairest form of control and a desirable strength of high rationality (Weber, 1980) with which to construct an organization that was “less negotiated and more structured” (Barker, 1993, p. 410). Rules, strict hierarchy, and keeping of records are instruments of control to improve the rationality and efficiency in organizations (Sanders and Kianty, 2006). Through rationalization, forms of personal authority or coordination are dissolved and replaced by fixed, legal regulations. For Weber (1980), the most important attribute for bureaucracy was domination over a diversity of people that would normally involve a staff of administrators (pp. 122–142). The “ideal type” of legal domination is important for explaining workplace control, which Weber best embodied in the “bureaucratic administrative staff” (pp. 126–127). The ideal type of bureaucracy has the following characteristics (Höpfl, 2006, p. 10):

- The officials should only obey their official duties.
- Hierarchy is monocratic (e.g., its top is one person, not a collective).
- There is work division with defined competencies and tasks.
- Rules and procedures are documented in records.
- Professional qualifications and knowledge are the essence of bureaucracy.
- Officials are selected by their superiors, not elected.
Promotion is by “next in line” and salaries relate to status, not performance.

Bureaucracy means domination to impersonal rules.

Thus, the Weberian ideal type of legal domination does not aim to reproduce social reality; divergences do not diminish the importance of the ideal type of practice (Groß, 2008). Rather, the ideal type of legal domination represents an evaluation of one or several points to fulfill a “unified thought” (Weber, 1922, p. 191).

Today, bureaucracy is still the central form of control, in positive and negative facets (Barker, 1993). Modernist organization theorists base their concept of bureaucracy on three core components of Weber’s theory: division of labor, hierarchy of authority, and formalized rules and procedures (Hatch and Cunliffe, 2013). The division of labor refers to dividing the work of the organization among members; each employee executes a part of the entire organizational output. It involves defined tasks and responsibilities. The organizational structure combines similar or closely connected actions into departments (e.g., sales, marketing or finance) and divisions (consumer products, international transactions). Departments or divisions are typically supervised by administrators or managers. Hierarchy of authority defines formal relationships, which organizations coordinate in vertical communication structures, like downward (directing subordinates) and upward (reporting to management). The hierarchical structure controls the efforts of employees, which creates an atmosphere in which orders are followed (Adler, 2001). The third component serves as an addition to hierarchical authority because it substitutes some of the control mechanism with flattened hierarchical authority structures (Hatch and Cunliffe, 2013). Formalized rules and procedures include the level to which explicit guidelines, regulations, rules, and procedures control individual activities. The necessary information for the tasks is restricted in rules; these may be rules regarding processes to be completed or standard rules to generate a specific output or quality. In order to use a rule, an employer has to observe the work and allocate some value to it, and then the performance is compared to the rule in order to determine whether the work is acceptable or not. This involves a lot of administrative overhead, and, if the rule is stated qualitatively rather than quantitatively, the administration effort can be expected to be higher (Ouchi, 1979). In general, bureaucracy is based on the idea that “work can be divided between those who work and those who plan, organize, coordinate, and control work” (Kärreman and Alvesson, 2004, p. 150). These components can also be classified in the aforementioned centralization and formalization (see Section 2.1.2 Creativity and Control).
Hierarchy of authority falls under centralization. Division of labor and formalized rules and procedures is part of formalization.

The primary purpose of centralization and formalization of labor within bureaucracy is to improve efficiency (Thompson, 1965; Adler, Goldoftas, and Levine, 1999; Webb, 2004; Jørgensen and Messner, 2009). Quinn and Rohrbaugh (1983, p. 364) have described efficiency as the best allocation of the number of output units to a given number of input units. This means the control form is closely connected with the efficient use of organizational resources, skills, and capabilities. In the context of classical microeconomic theory, economy of scale occurs when a special cost’s function is related to a given technology (Porter, 1980). Economy of scale means that the long-term average unit costs decrease as production volumes increase. The larger the production volume of an output, the cheaper it can be offered for on the market (Chandler and Hikino, 1990). Efficiency means improving, stabilizing, and using methods or procedures to achieve the highest quantity and quality for the lowest possible expense (Sanders and Kianty, 2006, p. 293).

Barker (1993) has argued that if bureaucracy is fully established, centralization and formalization become fixed dimensions of control and that it is very difficult to remove them. Such processes are relevant to increasing efficiency but hinder an organization’s ability to adapt to the market (Worley and Lawler, 2010a). Maravelias (2003) has argued that centralization and formalization make organizations stale and slow and unable to operate in markets’ demand for continuous innovation. In addition, Thompson (1965) has claimed early on that bureaucracy is inappropriate for creativity behavior. The ability of the organization to develop innovation is limited because structure, rules, and a high form of control inhibit employees’ freedom for creativity (Sanders and Kianty, 2006). By rationalizing the work, organizational members are constrained to react outside defined activities (Raub, 2008). Bureaucracy is the transformation of “social action into rationally organized action” (Barker, 1993, p. 410). In other words, bureaucratic rationalization processes limit the scope for freedom. The bureaucratic sphere is considered a zone of discipline and work, as opposed to leisure and freedom (Fleming, 2009). Bureaucratic control requires an individual adaptation to impersonal rules. As impersonal rules never lead to maximum work performance, organizational members should internalize them (Heckscher, 1994). A bureaucratic organization is based on a system of rules with a hierarchically arranged objective order of positions to delegate and control organizational members (Derlien, Böhme, and Heindl, 2011). The individuals are a mechanistic component of organizational performance because the correct application of organizational rules appears to be a rudimental freedom of decision (Sanders and Kianty, 2006). Individuals
have to follow orders, regardless of their opinions, values, preferences, knowledge, or plans (Höpfl, 2006). In other words, bureaucratic organizations offer “little or no room for this kind of freedom, being rule-bound and characterized by purpose-rationality” (Tijsterman and Overeem, 2008, p. 81). Individuals become trapped in creating and following a rule-based hierarchy such that bureaucracy turns out to be a powerful form of domination. This notion of the predictable, highly rational, but powerfully tyrannical bureaucracy refers to what Weber called the “iron cage” (Weber, 1992, p. 123).

Nowadays, bureaucracy is still the most dominant form of control in organizations (Barker, 1993; Bolin and Harenstam, 2008; Groß, 2008), but Weber’s strict form hardly exists anymore, and many organizations use a form of “post-bureaucracy” (e.g., Crey and Carsten, 2001; Höpfl, 2006; McKenna et al., 2010; Bolin and Harenstam, 2008; Hodgson, 2004). Heckscher (1994, pp. 24–28) has explained ideal characteristics of post-bureaucracy, in which rules are replaced with discourse and consensus, responsibilities are allocated based on importance rather than hierarchy, restrictions are looser, and employees are treated as individuals. Post-bureaucracy is described as the reduction of traditional bureaucracy. Post-bureaucracy involves flat hierarchy, decentralized organizations, emphasizing flexibility and replaced rule-following (Bolin and Harenstam, 2008). The concept of post-bureaucracy has, however, been critically discussed in research, and other concepts have been developed as different theories for the postmodern ideal type of organizational form, for example, “flexible firm” (Atkinson, 1984), “postmodern organization” (Clegg, 1990), and “network enterprise” (Castells, 2000).

In summary, the defining characteristics of bureaucracy are: a hierarchy with clear definition of authority, a division of labor based on training and expertise, a system of rules, formalizations and records, a separation between person and organizations, impersonality in the performance of tasks, and graduated-pay careers (Kunda, 1992). Rationalization and depersonalization is a dominant objective for achieving efficiency, but it is inappropriate for creativity (Thompson, 1965; Maravelias, 2003; Hirst et al., 2011; Grabner and Speckbacher, 2016). Bureaucracy inevitably leads to rationalization of behavior and a lack of adaptability in the market, and thus to obvious conflicts and a search for more and better forms of control (Fleming, 2009).

2.3.2 Normative Control

As the markets had become more flexible and complex by the early 1980s, organizations were encouraged to shift towards normative objectives and practices (Bains et al., 2007).
By reducing centralization and formalization, organizations aimed to win the trust and commitment of employees to create the adaptability needed to cope with uncertainty in a changing and dynamic environment (Weick and Quinn, 1999; Adler, 2001). The early work by Etzioni (1965, 1971) serves as a starting point for the research on normative control (Kunda, 1992; Walker, 2011; Costas, 2012). He has identified three different control mechanisms: coercive, remunerative, and normative power (Etzioni, 1965, p. 651). Coercive power includes the application of physical sanctions, such as pain, malformation, or frustration due to restricted movement. Remunerative power is based on control over physical resources and rewards through the distribution of wages, instructions, and contributions. Normative control is an indirect form of control in which normative power is the major control approach over organizational members (p. 40). Kunda (1992) has described normative control as “the attempt to elicit and direct the required efforts of members by controlling the underlying experience, thoughts, and feelings that guide their actions” (p. 11). Normative control differs from bureaucratic control in its reducing centralization and formalization (Costas and Kärreman, 2015), and it takes place when the organization aims to combine the values and ideals of employees with organizational objectives (Groß, 2008). This concept requires employers and employees to share the same set of norms and values to ensure that there are like-minded people at all levels of the organization. Organizational members understand and support the norms of the organization, and they feel obligated by it (Seebaß, 2006). Researchers have argued that, if general norms and values are shared, consensus on organizational goals is more likely to be attained than with physical pressure or economic rewards or sanctions (e.g., Etzioni, 1971; Kunda, 1992). Normative control is a collective term under which different concepts can be summarized (Groß, 2008). The most prominent dimensions of normative control are “organizational culture” and “identity regulation” (Kunda, 1992; Kärreman and Alvesson, 2004; Weik and Lang, 2005). In contrast to organizational culture, identity regulation captures the interaction between organization and individual, thus taking into account that individuals are not only cultural recipients, but also actors with their own needs (Alvesson and Willmott, 2002).

Organizational culture seeks to influence members’ behavior through values and norms (Kunda, 1992). Ray (1986) has claimed that organizational culture is based on “love of the firm and its goals” (p. 294). Schein (1985) has viewed organizational culture as “a pattern of basic assumptions – invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (p. 9).
Schein’s influential model of organizational culture consists of three interrelated levels: 1) basic assumptions, 2) values and norms, and 3) artifacts. Basic assumptions are at the core of organizational culture and involve beliefs about reality that are taken for granted, the organization, and its relations to the environment, time, and people’s relations to each other. Basic assumptions are made as a matter of course and are invisible and precon-scious. Basic assumptions are the beliefs that lead thinking and action in organizations. On a more visible level are values and norms that propose how the organization is intended to work, as well as the unwritten rules for a multitude of recurring situations in an organization, which help the employers to identify ‘right’ and ‘wrong’ behavior. Values and norms that have proven to be effective may, over time, become the less visible governing assumptions. The most obvious level is artifacts, which are the visual expression of culture (White, Drew, and Hay, 2009). Artifacts can be rituals, stories, or symbols (e.g., a logo, a building, the layout of a working environment, clothing, behavior such as communication patterns, ceremonies, and jokes). In Schein’s cultural model, the different levels influence each other equally. Languages, informal practices, stories, jokes, jargon, values, ritual, and characteristics of the physical environment may all be expressed in organizational culture, and different vocabularies may be used as slogans to express what the organizations stand for if they are shared among the organizational members (West and Richter, 2008; Alvesson and Sveningsson, 2016). While Schein has considered the symbols as subsumed by artifacts, Hatch and Cunliffe (2013) have emphasized the specific function of symbols in the process of the production and reproduction of artifacts, values, norms, and basic assumptions from a dynamic perspective. An artifact may become a symbol only when organizational members assign meaning to it and use the symbol to communicate meaning to others.

Figure 2–6 reveals a model by Hatch and Cunliffe (2013) representing the interactions of the individual levels of an organizational culture. This model was built on Schein’s theory of culture (see Schein, 1990). The model reveals four interrelated processes of manifestation, implementation, representation, and interpretation that continuously

![Figure 2–6: The Model of Cultural Dynamism by Hatch and Cunliffe (2013, p. 169).](image-url)
identify characteristics of culture with cultural changes. The upper half of the model shows how culture manifests itself in artifacts caused by assumptions and values. The lower part of the model shows the transformation of artifacts into symbols that either support or question assumptions. The model indicates that the four levels are connected and influence each other. This interaction shapes the organizational culture.

According to Hall (1976), organizational culture can be described in the form of an iceberg model. The iceberg model was first introduced by Sigmund Freud and was taken up and further developed by many other researchers, including Schein (see Schein, 1990; Senior and Fleming, 2006; Ashkanasy, Wilderom, and Peterson, 2011). Hall has assumed that organizational culture is understood as usual patterns of basic assumptions for solving internal and external problems. This pattern consists of visible and invisible elements, so new members may not directly be able to understand them. The part of the iceberg above the water’s surface describes the visible elements of organizational culture. The much larger part of the iceberg is located in the underwater world, revealing the hidden structures of organizational culture. The reason for this assumption is that the invisible elements guide and drive the visible ones. Such invisible basic assumptions about organizational culture are, for example, opinions regarding truth, the understanding of right and wrong, the people with their strengths and weaknesses, and their general behavior. Visible elements of organizational culture can be a mission statement, a vision, strategic objectives, or spoken and written words.

Organizational culture lies beneath and behind behavior and the way members operate and think about their working environment (Williams, Dobson, and Walters, 1994; Alvesson and Sveningsson, 2016). Norms, values, and basic assumptions are sense-making devices for employees, but they also serve as a control mechanism for shaping behavior (Schneider et al., 2013; Kunda, 1992; Fleming and Sturdy, 2009). This mechanism is different from the usual methods, like quantitative analysis, planning, formal rules, and sanctions, which is applied within the bureaucracy (Ray, 1986), because organizations seem to regulate, limit, and guide the actions of employees by serving culture as a reference frame in order to provide freedom, spontaneity, and playfulness within the various cultural forms, separated from a fixed pattern of meanings (Weik and Lang, 2005).

Besides organizational culture, identity regulation is the other prominent dimension of normative control (Alvesson and Willmott, 2002; Watson, 2008; Costas and Kärreman, 2013). Boussebaa and Brown (2017, p. 3) have described identity regulation as the intention of shaping the identities of members to achieve organizational goals. Alvesson and
Willmott’s (2002) concept is a transferable model for explaining how organizations seek to influence employees through identity regulation (pp. 629–631). They have defined nine mechanisms to regulate the identities:

1. Defining the person directly: By using labels in organizations such as ‘middle-manager,’ employees are classified and the designations gain validity.

2. Defining a person by defining others: In analogy to the first mechanism, an individual’s identity is shaped by separation from other people (groups), and members of the organization are encouraged to adopt certain ways of behaving.

3. Providing a specific vocabulary of motives: Organizations communicate what the corporate and individual goals are. These may also be non-economic objectives, such as having fun, working in groups, or feelings of community.

4. Explicating morals and values: In addition to the objectives, values and, if necessary, a hierarchy of values are conveyed.

5. Knowledge and skills: The definition of what employees can and may do determines their identity. Important signs of this are training and professional affiliation.

6. Group categorization and affiliation: In addition to the definition of individual members, for example, as managers, group membership also promotes identity. Appropriate instruments of producing a ‘feeling of togetherness’ include social events and a culture of shared feelings.

7. Hierarchical location: The hierarchical location of the members creates an identity. This is also the case when hierarchies are officially denied or underestimated. Status symbols or indirect forms of hierarchy can continue to exist and shape self-conception or identity.

8. Establishing and clarifying a distinct set of rules of the game: Not only values, but also explicit and implicit rules give behavioral and identity orientation to members.
Defining the context: As with the separation from specific people, groups, or organizations, the classification of the organization in a broader social context can also have an identity-creating effect. These include, for example, references to the current market situation of an organization.

The nine mechanisms of identity regulation reveal a fundamental characteristic of normative control. The use of tools and practices, such as team activities, slogans, and value statements, is characteristically seen as an approach for organizations to control their goals and introduce values and emotions. In this context, specific identities that are beneficial to the organization are promoted (Van Maanen, 1990; Barley and Kunda, 1992; Casey, 1995; Kunda, 1995).

Identity regulation and organizational culture are essential elements in normative control to reduce centralization and formalization as forms of control (Kunda, 1992; Seebaß, 2006; Hechter, 2008; Boltanski and Chiapello, 2012). Kärreman and Alvesson (2004) have argued that normative control indicates a softening of the “iron cage of bureaucracy” regarding freedom for organizational members. Normative control allows employees a greater degree of freedom, and socialized employees can also act in the best interests of the organization (Barley and Kunda, 1992). Normative control seeks to provide an identification with organizational values (Willmott, 1993). Alvesson and Willmott (2002) have stated, “[…] control is accomplished through the self-positioning of employees within managerially inspired discourses about work and organization with which they may become more or less identified and committed” (p. 620). Organizational members are treated respectfully because they accept norms and values as their own, and loyalty and conformity are rewarded with freedom (Barley, Gordon, and Gash, 1988; Maravelias, 2003). Normative control increases the creativity of organizations and allows them to adapt better to the market (Kunda, 1995; Kärreman and Alvesson, 2004; McLean, 2005; West and Richter, 2008). Martins and Terblanche (2003) have argued that organizational culture as an element of normative control can balance centralization and formalization approaches by indirectly influencing creative behavior through norms and values. The freedom and high identification leads to commitment and intrinsic motivation, which are essential for creativity (Swailes, 2000). However, Mueller (2017) has claimed that “strong […] culture is often a creative killer” (p. 139). An organizational culture can silence individual expression beneath a surface of conformity (e.g., Woodman, Sawyer, and Griffin, 1993; Tesluk, Farr, and Klein, 1997; McLean, 2005).
In addition to the negative aspects of creativity, a high degree of loyalty to the organization leads to organizational members eventually becoming a “company (wo)man” (Fleming and Sturdy, 2009, p. 570). The employee assumes a membership role as her own, because it seems that the goals of the organization go hand in hand with those of the member. On such occasions, organizational members see the organization as a new ‘home’ with a security-enhancing framework (Scase and Goffee, 1989; Willmott, 1992; Barker, 1993; Kunda, 1995; Ross, 2004). People are interested in each other’s personal life, and it is common to find supervisors who feel that it is part of their job to know about individual problems (Ouchi and Johnson, 1978). Costas (2012) has discussed that promoting a culture of friendship is a strategic tool for controlling employees’ behavior, although it emphasizes freedom, openness, and spontaneity. In light of these challenges, Ogbor (2001) has claimed that “when loyalty to the organization becomes a substitute for living one’s own life, when the organization enhances its centrality in the lives of its employees, and when we accept unfreedom as freedom, the indoctrination can become so powerful that the emotional refusal to go along appears neurotic” (p. 605). Kunda (1992) has criticized “belonging” to an organization and pointed out the enthusiasm of the employees as well as the flipside of an organization with a strong culture: the difficulty of separating one’s private life from work life, high workloads, and, consequently, a reduction of one’s private life outside the organization, as well as constant stress and burn-out symptoms (pp. 163–170). Organizational members feel so committed to the organization that they cannot switch off in their private environment either. In addition, Casey (1995) has argued that employees’ identities are appropriated by the organization, and, even in their personal lives, they cannot mentally separate from the organization. She has said that working long hours is considered an obvious cultural norm, and therefore employees feel pressured to sacrifice their personal lives. In this context, the employee is permanently situated in an ambivalent situation; on the one hand, loyalty to an attractive organization and, on the other hand, the constant risk of losing one’s freedom to separate work and private life. Conversely, a certain degree of rejection of organizational members does not threaten the general success of normative control. Distance from given values returns a certain degree of freedom to the organizational members, but it does not solve the basic tension ratio between individuality and an organized world (Barley and Kunda, 1992).

... in the name of expanded practical autonomy, it aspires to extend management control by colonizing the affective domain. It does this by promoting employee commitment to a monolithic structure of feeling and thought, a development that is seen to be incipiently totalitarian (Willmott, 1993, p. 517).
In summary, normative control reduces direct forms of control in which control over standards, values, assumptions, and artifacts is exercised (Kunda, 1992). The most prominent procedures of normative control are those of organizational culture and identity regulations. Organizational culture is, on the one hand, the result of the sum of all activities in organizations over time and, on the other hand, the self-evident framework that gives the activities of the individuals a unified direction (Hatch and Cunliffe, 2013). Identity regulation seeks to merge the individual identity with the organizational identity so that the employee acts in the interests of the organization without direct order (Alvesson and Willmott, 2002; Bardon, Brown, and Pezé, 2017; Boussebaa and Brown, 2017). Normative control offers increased freedom rather than tyranny (Kunda, 1992). However, researchers have also pointed out the counterproductive aspects that the normative control of adaptability and innovation can have in fast-changing markets (Fleming and Sturdy, 2009). Such limitations have shifted researchers to different directions in the employment relationship, and normative control has entered a “theoretical stalemate: written off by some and over estimated by others” (Cushen, 2009, p. 102).

2.3.3 Market Rationalism

Although normative control has not lost its significance, Kunda and Ailon-Souday (2005, p. 208) have argued that a “market rationalist” viewpoint has been increasing in legitimacy, and organizations have swung back toward rationality. They have claimed that the business environment has changed dramatically due to more flexible and customer-oriented markets. Market rationalism uses the rhetoric of the market and the relationships between actors to explore, understand, and transfer mechanisms in order to guide managerial practice (Malone, 2004; Webb, 2004). Market rationalism relates to the idea that “… organizations should so thoroughly internalize the new dictates of the market, so completely tune into its demands, so smoothly flow along its current, that they should literally assume its form” (Kunda and Ailon-Souday, 2005, p. 202). This control form is focused on constantly exploring the market for new sources of revenue and growth (Bettis and Hitt, 1995). Market rationalism may be seen as the “blasting the violent winds of the marketplace into every nook and cranny in the firm” (Peters, 1992, p. 14). It aims to bring the market inside the organizations to simulate market requirements so organizational members will act as entrepreneurs (Webb, 2004; Sturdy and Wright, 2008), and it is focused on the entrepreneurial spirit of risk-taking instead of the focus on the long-term relations between organizational members (Kunda and Ailon-Souday, 2005). Within market rationalism, employees act like entrepreneurs, reacting directly to the market and responding faster to market changes. In order to intensify the ability to change, some tasks
are also assigned to contract workers or freelancers (Malone, 2004; Bains et al., 2007; Spreitzer, Cameron, and Garrett, 2017). In other words, this leads to two primary elements: employees become entrepreneurs, and contract workers or freelancers extend the idea of simulating the internal market.

In the market rationalist organization, workplace control is shifted to the enterprise at the individual level (Webb, 2004). This control form uses rhetoric similar to normative control, such as freedom, and empowerment, and aims to alter employees as more flexible, adaptable, and willing to move between organizational activities and tasks; meanwhile, entrepreneurial actions, organizational members are liable for their actions, their successes and failures (Storey, Salaman, and Platman, 2005). In other words, employees are empowered to lead themselves by having the competence to monitor an entire task and not just carry out certain activities within the department (Kunda and Ailon-Souday, 2005; Fleming and Mandarini, 2009). They are given freedom and trust to act as if they were their own boss (Webber, 1993; Webb, 2004). Amar (2002) has viewed market rationalism as “a number of people with diverse individual goals working together to achieve the fulfillment of their own goals using the organization as a vehicle” (p. 7). Customers are the main source of control, and supervisors delegate responsibility to those who are closest to the market. Market rationalism places customer needs at the center of organizational control form. Organizations are in constant communication with customers and test their ideas. Organizational members remain very close to users to create the best product for them. Through constant market observation, evaluation of the customer, and targeted development of solutions, the customer not only acts as motivation and inspiration, but also influences the daily work (Kunda and Ailon-Souday, 2005; Fleming and Sturdy, 2009). In other words, the customers take over control of organizational members by providing constant feedback (Malone, 2004).

Another element of market rationalism is outsourcing tasks to contract workers or freelancers (Malone, 2004; Spreitzer, Cameron, and Garrett, 2017). Organizations work with external workers to bring outside knowledge to the organizations and to react quickly to a volatile market (Morris, Farrell, and Reed, 2016). Contract workers and freelancers gain knowledge constantly through different projects (Gandini, 2016) and therefore transfer this knowledge to organizations (Storey, Salaman, and Platman, 2005). They often take their diverse skillsets with them to the next organization, which, in turn, can then benefit from the experience of other organizations. Contract workers and freelancers support organizations by compensating for short-term resource shortages (Storey, Salaman, and Platman, 2005; Morris, Farrell, and Reed, 2016). Storey, Salaman, and Platman
(2005) have argued that “the freelancers tended to aspire to the core qualities of enterprise – independence and autonomy in their working lives and they were positive about the implications of these features” (p. 1050).

Malone (2004, p. 106) has listed the various benefits and drawbacks of market rationalism. The benefits are efficiency, flexibility, and creativity:

- Efficiency: When each organizational member maximizes only her benefits, the resulting overall allocation of resources is usually very efficient.

- Flexibility: When things change, many people can work simultaneously on the overall problem of how to adjust. Lots of options can be explored simultaneously. Anyone can work on any aspect of the problem she wants to. The system gives good feedback and incentives that lead people to work where they can be most useful to the system as a whole.

- Creativity: Motivation is usually high because all organizational members must agree on the decisions that directly affect them, and they see the direct results of their actions.

Other researchers have also seen market rationalism as beneficial to creativity (Bloom and Cederström, 2009; Fleming and Sturdy, 2011). The simulation of a market within an organization is beneficial to stimulate creativity, as members are offered the freedom to identify problems, develop solutions, and even implement them (Kunda and Ailon-Souday, 2005). Organizational members are disposed to be independent, nonconformist and unconventional so that they are more creative and more risk-taking (Webb, 2004). Interesting to note is that the thinking and actions of an entrepreneur are closely related to creativity (Rauch and Frese, 2007; Gielnik, 2013; McMullan and Kenworthy, 2014). This means that, when organizations simulate the market internally, organizational members are constantly on the search for new possibilities, they generate ideas, and then they implement them to the benefit of the organization (McMullan and Kenworthy, 2014). According to various studies, an entrepreneur has the ability to identify market demands and create solutions for the customer while taking risk into account (see e.g., Luecke, 2003). As mentioned before, Unsworth (2001, p. 292) has called this “Proactive Creativity” because organizational members actively look for problems to solve (see Section 2.1.1 Creativity and Freedom).
However, Malone (2004) has pointed out some drawbacks: incentive problems, communication needs, and disloyalty:

- **Incentive problems:** In some situations, agreements that would be good overall do not happen because they are not in the self-interests of the organizational members.

- **Communication needs:** A high communication rate is usually required to find and compare alternatives and to negotiate agreements.

- **Disloyalty:** Organizational members expect little from the organization because they are more interested in developing their own qualification portfolios for later use. If there is a more attractive option, they leave the organization.

When organizational members only work on their ‘own projects,’ as if they were entrepreneurs, this may create competition among colleagues and alienation from the organization. Organizational members are only committed to their own goals rather than to the organization’s objectives because they are instead seeking new opportunities for their own benefit (Kunda and Ailon-Souday, 2005). In contrast to a strong organizational culture that aims to reform bureaucracy by introducing norms, values, belief systems, and emotions that regulate organizational member’s behavior to the organization’s benefit, market rationalism “apparently does not have time for culture and is more interested in reducing than transforming the workforce” (Thompson, 2005, p. 168). In dynamic and changing environments, strong normative control is not possible or desirable because it constrains the flexibility and adaptability to survive (Adler, Goldoftas, and Levine, 1999; Cummings and Worley, 2009; Cushen, 2009; Worley and Lawler, 2010b). Culture management is partly replaced by continuously changing project teams and by focusing on customer needs (Du Gay, 1996; Storey, Salaman, and Platman, 2005). To improve their ‘marketability,’ organizational members engage in continuous learning and networking, and they look for alternative employment opportunities (Baron and Hannan, 2002; MacEachen, Polzer, and Clarke, 2008). This also predicts the extent to which employees no longer need promises about an organizational future, because they realize the market is insecure and turbulent, which is mirrored in organizational life (Bloom and Cederström, 2009). Consequently, low solidarity with the organization may turn into disloyalty, which fuels employee self-loyalty (Webb, 2004; Kunda and Ailon-Souday, 2005). Market rationalism mirrors a liberal instrumental form, in which employees are expected to develop their competence portfolio for later use in competitive open and internal markets (Webb, 2004; Kunda and Ailon-Souday, 2005; Fleming and Sturdy, 2009). Kunda and Van Maanen (1999, p. 73) have noted that “the imagery of love and marriage fades into
obscurity, replaced by short-term affairs and one-night stands.” Organizational members are no longer committed to the organizations and are instead looking for exciting projects.

In summary, the underlying logic of market rationalism demands a return to the functional concepts of workplace control, which are based on earlier waves of rational rhetoric (Kunda and Ailon-Souday, 2005). Market rationalists call for radical restructuring, including staff cuts, the reduction of hierarchical levels and functional departments, and the outsourcing of everything that is not part of the core competencies (Prahalad and Hamel, 1990; Quinn and Hilmer, 1995; Malone, 2004; Kunda and Ailon-Souday, 2005). Freedom emerges from the interaction with the customer, and, instead of delegating decisions, the organizations let the market decide (Malone, 2004). The expression ‘enterprise at the individual level’ allows organizational members to choose their tasks and to decide how to solve them (Fleming and Sturdy, 2009; Amundsen and Martinsen, 2015). In this sense, market rationalism provides a higher form of freedom than bureaucracy or normative control (Bloom and Cederström, 2009; Fleming and Sturdy, 2009). However, it is still a mechanism to control organizational members’ behavior. Although organizational members are not subject to the bureaucratic controls of their work behavior, nor shaped in their beliefs or feelings by normative rhetoric, market rationalism aims to control individuals with the market (Bloom and Cederström, 2009). Control is transferred to the market because, if the organizational members act in the interest of the customer, this goes hand in hand with the goal of the organization (Fleming and Sturdy, 2009). On the one hand, this leads to a higher form of freedom but, on the other hand, to workplace subjectivity; it is a matter of interpretation by the employer whether this would lead to motivation or disillusion for employees (Duberley, Mallon, and Cohen, 2006). Their relationship with the organization is only contributory; they are directed by competition and customers and expect to receive only financial rewards from the organization. They compete with anyone else who could do their job within the organization (Bloom and Cederstrom, 2009). As Kunda and Ailon-Souday (2005) have argued conclusively, “As practitioners and observers of management now grapple with the problems that have been produced or magnified by market-based restructuring, a new ideological surge might be waiting in the wings, soon to be thrust onto the stage of managerial thought as the solution to management’s ever-present problem of control” (p. 216).

2.3.4 Neo-Normative Control

With neo-normative control, a normative system has been brought back to the organization in recent years (Fleming, 2009). Here, organizations are once again focusing more
on a normative rather than a rational approach to control (Fleming and Sturdy, 2009). Nowadays, organizations use neo-normative mechanisms to manage and motivate organizational members by reducing control and celebrating organizational members’ freedom to just be themselves (Bains et al., 2007; Cederström and Grassman, 2008; Fleming and Sturdy, 2009, 2011; Walker, 2011). This control approach is still very new, but various researchers have already taken an empirical approach to neo-normative control theory. There is empirical evidence that the emerging control form is being used more and more frequently in organizations, from call centers in Australia (Fleming and Sturdy, 2009) to technology firms in United States (Ross, 2004), knowledge-intensive organizations around the world (Liu, 2004), and consulting firms in the United Kingdom (Costas and Fleming, 2009). Neo-normative control is seen to be particularly significant in highly competitive and volatile markets that demand creativity and innovation (Fleming and Sturdy, 2009; Walker, 2011). In addition, these organizations attract young employees who have just entered the corporate world and are often skeptical about the structure of old organizations (Costas and Fleming, 2009; Fleming, 2009). Individuals from this generation, the so-called “Generation Y” or “Millennials”, often arrive with skepticism about capitalism (Ross, 2004; Martin, 2005; Costas and Fleming, 2009) but still want to work for a “cool” organization (Liu, 2004). Generation Y is defined as people born between 1980 and the mid- to late 1990s, who move into the workforce (Thompson and Gregory, 2012, p. 238). Neo-normative control seems to be anti-control: involving members in decision-making and letting them express their opinions and personality freely, to provide an authentic environment (Bains et al., 2007). Costea and colleagues (2007) have claimed “that a new logic underpins management today: to govern work mainly through subjectivity [and] only if human subjects intensify their contribution as selves can they (as human resources) enhance the production process and lead the organization to success” (p. 3). In contrast to normative control, which seeks to align employees with organizations, neo-normative control aims to provide an environment where employees can be truly authentic, in order for them to perform most efficiently. Pedersen (2011) has pointed out that authenticity brings the spontaneous and private self into the workplace, and that the employee’s interests, desires, and instincts, paradoxically, come into the service of the benefits of organizations.

*Individuality is not just tolerated ... but actively encouraged – particularly when it comes to employees expressing the fun side of their personalities ... All of this is based on the belief that when people are happy and have the freedom to be themselves, they are more productive and give more of themselves (Bains et al., 2007, p. 241).*
Authenticity, ironically, strengthens an individual’s effectiveness to improve work and organizational performance (Bloom, 2016). This logic is becoming more visible, particularly with debate on play and fun, happiness, and personal health, so that the organizational members provide their whole selves to the organization (Cederström, 2011). In other words, authenticity becomes part of the individual’s very own normative control. Neo-normative control involves two interrelated elements: 1) the celebration of differences and 2) workplace fun as an expression of self (Fleming and Sturdy, 2009, p. 573).

The principle of the celebration of differences is based on authenticity in a very individualist manner; organizational members are encouraged to show who they really are. They can express themselves with consumerism (dress codes), leisure activities (including partying and drinking), rituals of fun, and so forth (Costas and Fleming, 2009; Fleming, 2009). Organizational members are invited to ‘loosen up’ and have more enjoyment in the workplace. Deal and Key (1998) have argued that celebrations of difference “provide social support for being yourself and believing that you matter” (p. 25). They recognize the social support in the feeling of belonging, common solidarity, and loyalty (Fleming, 2009). Psychological safety studies suggest that, when a person can truly be herself, she can be motivated to be creative and playful at work (e.g., Elsbach and Hargadon, 2006). The celebration of difference aims to bring life back into work by taking possession of life itself. This means that neo-normative control invites the private individual to participate in work (Fleming, 2009, p. 578).

The other key element of neo-normative control is the management and emphasis of fun and playfulness at work (Fleming and Sturdy, 2009, 2011; Reis, O’Keefe, and Lane, 2017). Researchers have claimed that authenticity is a key component of humor, because a person can be serious, but she cannot pretend to be funny (e.g., Barnett and Deutsch, 2016). Providing a fun environment is one way to motivate people and to gain their full commitment to work processes. Various studies have revealed that making organizational members happy raises productivity, creativity, and performance (e.g., Kark, 2011; Amabile and Kramer, 2007; Fleming, 2005; Haas, 2010). Amabile and Kramer (2011) have showed that fun and playfulness have the power to excite employees and engage them in their work. In addition, American psychologist Shawn Achor has argued that happiness increases productivity: “Your brain at positive is 31% more productive than your brain at negative, neutral or stressed” (Achor, 2012, p. 102). By expressing their fun and play nature, organizational members enjoy their work, they are more productive, and they are even more committed to their organization (Ross, 2004; Fleming and Sturdy, 2011; Davies, 2015). In other words, fun is exploited for organization purposes. The
obvious difficulty of formalizing an experience that is normally considered spontaneous has been examined by Hudson (2001). She has discovered that humor and fun can come from exercises that feel spontaneous, but, in reality, are planned, through activities such as the “Lego Program” (in which organizational members play with Lego bricks). Organizations conduct various types of fun and playful activities to build trust among staff and promote experiences of individual authenticity. Fleming (2009) has stated that some organizations even have a “Director of Fun” dedicated to implementing fun in the workplace. In the German start-up industry, the position of the “Feel Good Manager” has also recently risen (Flüter-Hoffmann, 2016). The intention behind the position is to have someone responsible for employees’ feelings and to foster their productivity, creativity, and inner-work-life (Fraunhofer, 2013). Neo-normative control seeks to structure the workplace in new ways so that the boundary between work and fun becomes blurry (Fleming, 2005; Plester and Sayers, 2007).

Neo-normative control has provided the highest form of freedom in organizations to date (Fleming and Sturdy, 2009; Walker, 2011). First, neo-normative control reacts with the opportunity for self-expression to conformity and organizational loyalty according to normative control (Fleming, 2009). Organizational members have the freedom to truly be themselves and to have fun, as they do in their personal lives (Fleming, 2009). In return, the private self is to be contributed for the benefit of the organization. Second, organizational members also gain freedom to self-manage their work and to feel an appropriate amount of enjoyment by increasing their productivity (Carver and Scheier, 2002; Bramming, Kristensen, and Pedersen, 2010). Neo-normative control is about self-management rather than “self-actualization” (Fleming and Sturdy, 2009, p. 580). Self-actualization implies the realization of a person’s goals, desires, and dreams (Maslow, 1999). However, self-management means that employees have the freedom to manage the accomplishment of the activities. When organizational members are motivated and capable of deciding and choosing how to execute their tasks, they feel free to contribute their selves in favor of the organizations (Lopdrup-Hjorth et al., 2011; Kelly et al., 2007). Bains and colleagues (2007) have argued that “[i]nvolve[ing] people in decision making, and letting them express their views and their individuality freely are key determinants of building an authentic and meaningful environment” (p. 251). Fleming and Sturdy (2009) have noted that neo-normative control is concerned with social identities and self-management rather than freedom through work. In other words, neo-normative control mostly aims to increase the enjoyment of the work through the freedom of identity and emotional expression instead of the task itself; employees love being in the organizations and do not necessarily love work itself (Fleming and Sturdy, 2011). Some
researchers have argued that neo-normative control is a cover to increase exploitation and that organizations sell authenticity to confuse the boundaries between work and life (Lewis, 2003; Bloom and Cederström, 2009; Fleming, 2009; Walker, 2011). It follows in this argument that neo-normative control hinders individual freedom and can in no way be associated with freedom per se. It only provides freedom up to a point. Walker (2011) has noted that “a symptomatic reading of neo-normative texts reveals a certain anxiety that ‘illusionary’ freedoms might ultimately prove seductive” (p. 383). Neo-normative control creates space for freedom around work instead of freedom through work (Fleming, 2009; Fleming and Sturdy, 2011).

In summary, by allowing organizational members to bring their true selves to the workplace and to have fun, organizations are able to exploit a formerly untouched reservoir of flexibility, commitment, creativity, innovation, and entrepreneurial ingenuity (Fleming, 2009). By developing a cultural identity based on a postmodern norm of difference in which organizational members are influenced to show their “rebellious subversive core, the organization becomes an infantilizing milieu” (Cederström and Grassman, 2008, p. 46). Research also indicates that neo-normative control does not free organizational members from control, but employees enjoy freedom around work (including lifestyle choices, sexuality and private desires) (e.g., Ross, 2004; Liu, 2004; Costas and Fleming, 2009). Fleming (2009) has claimed that “control, coercion, and compulsion are rhetorically sent out the door, and freedom of expression, lifestyle difference, and even ‘resistance’ enter as the corporation attempts to fill the fundamental ‘lack’ of organized work” (p. 8).
2.4 Theoretical Framework

This section summarizes the theoretical approach underlying this thesis and the analytical framework that is used to analyze the empirical data.

Creativity research reveals that *freedom in the workplace* is a crucial stimulus for creativity, and *control*, in turn, restricts creative behavior (Bailyn, 1985; Amabile and Sansabaugh, 1992; Amabile et al., 1996; Zhou, 1998; Elsbach and Hargadon, 2006; Ceci and Kumar, 2015). Moreover, creativity researchers agree that organizations cannot directly order nor standardize creativity (Turnipseed, 1994; Bröckling, 2006; Grabner and Speckbacher, 2016). Because of these challenges, they discuss positive social influence factors instead of control mechanisms when examining creativity in the workplace (see e.g., McLean and McLean 2016). The majority of creativity research is, therefore, focused on organizational climate or culture for creativity, which are viewed as facilitators between freedom and control (e.g., Tesluk et al. 1997; Soriano de Alencar and Bruno-Faria 1997). Creativity emerges from the willingness and freedom to be creative (Reckwitz, 2012a, p. 232). In this respect, freedom has two parts: 1) being free to explore any and all options and possibilities within an individual’s imagination without restrictions on the options and 2) being free in creating and sharing ideas of the desired possibilities. Constraints can be beneficial for the first part (Onarheim, 2012; Rosso, 2014). However, constraints that are conducive to the generation of ideas often hinder their implementation (Holz, 2013). Usually, the greater the degree of freedom, the greater the scope for creativity will be (Amabile, 1998; Collier and Esteban, 1999; Sagiv et al., 2010). In creativity research, freedom and control are contrasted on a continuum (Adler and Chen, 2011).

The reliance on freedom and control within creativity research reveals the same understanding as within freedom research. Freedom opposes control. More control means less freedom – and vice versa. Accordingly, any form of control restricts freedom (Brehm and Brehm, 1981). Freedom is having the ability to approve or reject without restrictions or influences that force one or the other. There are no prejudices either way (Hegemann, 2012). The perception of freedom and the possibilities within restrictions define the degree of freedom of each individual (Honderich, 2005; Baynes, 2007). At the workplace, two types of perceived freedom can exist (Fleming and Mandarini, 2009). First, freedom through work refers to the task and the experience within the work (Fleming, 2009). Second, freedom can also be perceived around of the task. Freedom can be exercised in
different ways in organizations, and different forms of control can allow diverse forms of freedom.

Researchers have argued that workplace control is inherent to organizations, and only their modes and motivations shift over time in performance with broader social values and discourses that provide the resources and legitimacy for their representation (e.g., Willmott, 1993; Alvesson and Willmott, 2002; Walker, 2011; Fleming and Spicer, 2014). In the course of time, organizations have shifted from totalizing system and a direct form of coercion (bureaucracy) to indirect control (neo-normative control) to allow more freedom to achieve their objectives (Kunda and Ailon-Souday, 2005; Cederström and Grassman, 2008; Fleming and Sturdy, 2009, 2011; Walker, 2011; Costas, 2012). Neo-normative control is an emerging form of control that allows a high degree of freedom (Fleming and Sturdy, 2009). Table 2–2 presents the different forms of control and establishes their relationship to freedom.

**Table 2–2: Overview of Different Control Forms. Own table.**

<table>
<thead>
<tr>
<th>Forms of Control</th>
<th>Characteristics</th>
<th>Extent and Form of Freedom</th>
</tr>
</thead>
</table>
| Bureaucracy (e.g., Weber, 1960) | – Top-down control  
– Uses centralization and formalization  
– Uses rewards and punishment  
– Often inefficient and highly resistant to change | – Hardly any freedom possible due to direct control and defined structures  
(Maravelias, 2003; Tijsterman and Overeem, 2008) |
| Normative control (e.g., Kunda, 1992) | – Widely-shared values and beliefs guide organizational members’ behavior and decisions  
– Main types are organizational culture and identity regulation  
– Aims to ensure that social needs of employees are satisfied and that they are emotionally linked to ‘their’ organization | – Partial freedom possible but still tight control through norms and values  
(Kunda, 1992; Alvesson and Willmott, 2002; Hechter, 2008; Costas, 2012) |
| Market rationalism (e.g., Kunda and Ailon-Souday, 2005) | – Individualism, entrepreneurial risk-taking and self-reliance are the key themes  
– Places the customer at the center of the work  
– Adaptive to the market | – Freedom through work but tight control by the market, in particularly by the customer  
(Webb, 2004; Kunda and Ailon-Souday, 2005) |
| Neo-normative control (e.g., Fleming and Sturdy, 2009) | – Stimulates organizational members to express their true self by breaking the traditional work/non-work boundary  
– Fun and celebration of differences are the key themes  
– Often found in young and trendy organizations that depend on creativity and innovation | – High form of freedom in organization possible but rather a freedom around work instead of freedom through work  
(Bloom and Cederström, 2009; Fleming, 2009; Walker, 2011) |

Kunda (1992) has claimed that systems of control build upon, rather than replace, one another. Neo-normative control differs from bureaucracy, normative control, and market
rationalism, but it also builds upon these control forms (Fleming, 2009). Neo-normative control attempts to compensate for the weaknesses of past control approaches and integrates their strengths (Fleming and Sturdy, 2009, 2011). It involves a combination of control, which includes a mix of rational, structural components and more flexible, functional parts to regard continuous changes (Walker, 2011). Neo-normative control, therefore, refers to the influencing of so-called ‘soft’ and partly difficult-to-determine factors within an organization but combines them with rational ordering systems. This arrangement resonates with Courpasson (2000) and Alvesson and Kärreman (2004), who have argued that although organizations apparently reduce centralization and formalization, they do not consider these factors as less important. Neo-normative control appears to reserve a balance of cultural management according to authenticity and diversity with the optional use of the rational methods of management associated with this approach (Walker 2011, p. 375). In the end, the separation different workplace control is an only analytical differentiation because, for example, structures and rules are also a part of organizational culture (Kunda, 1992; Alvesson and Kärreman, 2004; Fleming, 2009).

Table 2–3 illustrates the differences between bureaucracy, normative control, and market rationalism in relation to neo-normative control.

<table>
<thead>
<tr>
<th>Forms of Control</th>
<th>Neo-normative Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureaucracy (e.g., Weber, 1980)</td>
<td>Does not bar the personal, emotional and unpredictable features of organizational members, but attempts to evoke and shape them as strategic resources. Difference and discretion rather than standardization of selves.</td>
</tr>
<tr>
<td>Normative control (e.g., Kunda, 1992)</td>
<td>Similar elements and methods, but aim is normative diversity, not uniformity. Invites and supports the outside of work self (“warts and all”) and not only the preferred “front stage” corporate (specific) self.</td>
</tr>
<tr>
<td>Market rationalism (e.g., Kunda and Alon-Souday, 2005)</td>
<td>Similar attention to the value of diversity and the constraints of homogeneity but focuses on identity and values rather than market forces. Complements other (often unacknowledged) normative elements of market rationality (e.g., entrepreneurialism).</td>
</tr>
</tbody>
</table>

In summary, neo-normative control is the emerging form of control that provides a high degree of freedom and is often found in creative organizations (Fleming, 2009). Although the control form differs from other forms, elements of bureaucracy, normative control, and market rationalism remain in neo-normative control. Tables 2–2 and 2–3 present a broader concept of neo-normative control, which builds the basis for the empirical analysis.
2.5 Research Gaps

In this thesis, I contribute to an understanding of how organizations exploit freedom to control creativity. The thesis examines the relationship between creativity, freedom, and control. The three common interfaces lead to the research gaps. Figure 2–7 symbolizes this interface of the research gaps.

First, different forms of freedom exist in organizations, and the aforementioned studies within creativity research relate freedom only to the tasks and simplify the construct of freedom in the sense of deciding what to do or how to do it (e.g., Oldham and Cummings, 1996; Amabile, 1997b; Zhou, 1998; Isaksen and Ekvall, 2010; Liu, Chen and Yao, 2010). Creativity researchers have not treated freedom in much detail to understand how freedom in organizational contexts exploits creativity. Most published studies are limited to quantitative analysis, which does not lead to a detailed knowledge of types of freedom and how freedom is perceived to influence creative behavior.

Second, control hinders creativity (e.g., Amabile, 1998; Hirst et al., 2011; Grabner and Speckbacher, 2016), but studies have failed to address different forms of control to examine which forms can hamper creativity and which may be beneficial. The research to date has tended to focus on control forms, such as centralization and formalization, rather than normative or market control forms. Hirst and colleagues (2011) have argued that “scholars thus need to consider not only contextual factors that invite creativity, but also contextual influences that may constrain it” (p. 624). In particular, few empirical studies have examined the tension between creativity and control (Oldham and Cummings, 1996; McLean, 2005; Sundgren et al., 2005). Adler and Chen (2011) have also called for future research to empirically study that tension between control and creativity.
Third, organizations are increasingly focusing on reducing direct control and allowing freedom (Thompson and van den Broek, 2010). However, when critical management scholars discuss contemporary workplaces and their advantage of freedom, they quickly conclude that this freedom may have no association with freedom *per se* (Fleming and Mandarini, 2009; Thompson and van den Broek, 2010; Walker, 2011). Obviously, traditional and new forms of control (such as neo-normative control) also reduce freedom. Walker (2011) has argued that “peel away the layers of window dressing, and the neo-normative firm reveals its true nature: raw, naked exploitation” (p. 383). Thus, neo-normative control may be a cover to increase exploitation to reach the organization’s goals and to confuse the work and private lives (Lewis 2003; Ross 2004). However, scholars argue that liberation management is viewed as particularly relevant in highly competitive and dynamic markets that rely on creativity (Cederström and Grassman, 2008; Fleming, 2009; Fleming and Sturdy, 2011; Walker, 2011). Little is known about neo-normative control and its influence on creativity. A limitation of neo-normative control theory is that scholars assume that creativity is an output in those workplaces (see e.g., Pedersen 2008; Cederström and Hoedemaekers 2010), but to date, there has been no reliable evidence that neo-normative control manages creativity.

The research question and focus of this thesis results from combining the three interfaces. From the vantage point of today, organizations face the challenge of obtaining creative results from employees, yet a wish for control and behavioral regulation may lead to the opposite (Hirst et al., 2011). How can freedom lead to a particular behavior? While acknowledging the pole of freedom and control, until now organization theory has lacked the necessary overarching framework for its integration into creativity research (Adler and Chen, 2011; Hirst et al., 2011). This, in turn, sheds light on how to discuss the tension between workplace control and creativity. This connection motivates me to study neo-normative control according to creativity. I am interested in discovering the elements of neo-normative control that cause creativity and how freedom ultimately leads to creative behavior. Understanding and evaluating neo-normative control and creativity requires knowing the underlying empirical matter: not only the approaches of the organization but also the reactions of organizational members.
3  Research Design

This chapter describes the research design of this thesis, which includes methodology, case selection, data collection, data analysis and data validation.

This thesis utilizes neo-normative control theory to explore how organizations control creativity. The empirical studies presented in the previous chapter on the different concepts of (neo-)normative control (Kunda, 1992; Alvesson and Willmott, 2002; Ross, 2004; Fleming and Sturdy, 2009; Costas, 2012) use qualitative methods to show how organizational members are influenced by norms, values, language, symbols, and ideals in their actions. Kunda (1992) has claimed that, when studying different forms of normative control, it is important to “go beyond free-floating rhetoric to the people who live with these cultures and to the everyday lives in the course of which ideas are formed, presented, and put into effect” (p. 23). In other words, a standardized survey or a quantitative content analysis of official documents would not adequately capture the complexity of behavior of organizational members. Researching creativity also involves more than asking questions or exploring a range of arguments (Fillis, 2010). Mace (1997) has argued that a qualitative approach is appropriate when studying creativity in an organizational context, because “it enables the researcher to capture the nature and meaning of creative experience from the perspective of the research participants themselves, rather than a measurement of frequency of responses or events” (p. 266). Creative behavior cannot be repeated as often as desired with the same subjects, because the context is central in which creativity is happened (Hunsaker, 1992). In addition, Zhou and Shalley (2013) have called for more qualitative studies on creativity, because the discipline of creativity research is relatively new and well conducted qualitative studies could generate groundbreaking insights.

Even more recent is the theory of neo-normative control; with a narrow focus on creativity and to this extent, the present research has an explorative nature in several respects. I, therefore, have chosen a qualitative approach for this thesis. Several qualitative research methods are possible; these include Grounded Theory (Glaser and Strauss, 1967), which demands an explicit renunciation of any conceptual assumptions and regards theory as a consequence of the research process. An alternative procedure is case study research (Yin, 2013). Case study research is a method of observing the characteristics of a unit such as a person, a group, or a community in order to analyze several phenomena. Case study research may be appropriate, but, as an outward-looking approach, it aims to investigate the phenomena through an analysis of the case and its context. Instead,
ethnography is directed inwards to uncover the implicit knowledge of those involved in culture (e.g., Van Maanen, 2011); it seems to be the right method for unpacking the complex relationships between creativity, freedom and control.

As the concept of the interactions of individuals is central to both creativity research and ethnography, research on creativity has benefited and can benefit from this approach (Hunsaker, 1992). Ethnography and creativity focus on a system, synthesis, and individual interpretation. Instead of separately researching traits of creative individuals, steps of creative processes or characteristics of creative products or ethnography serve as a tool to describe these experiences and their relationship to each other in a cultural context. Particularly, the initial purpose of using ethnography is to obtain a better understanding of the interrelated paradigms of workplace control and creativity. In summary, this thesis draws on qualitative and interpretive methodology.

This chapter begins with an overview of the methodology, followed by an explanation of why the cases were selected as well as a presentation of the two companies. I present each case individually before explaining how the data was collected. Subsequently, I present the steps of the data analysis and the assurance of data validity.
3.1 Methodology

_Ethnography is literally the study of culture, and on the face of it, an appropriate method_ (Kunda 1992, p. 23).

Ethnography is rooted in anthropology and is understood as both the participating observation and the description of the culture of a specific ethnic group (Reichertz, 2013; Gaggiotti, Kostera, and Krzyworzeka, 2017). The central aspect of ethnography is to understand the meaning of actions and events to individuals; it is a description of culture. To research culture means to observe other people, to listen to them, and to make implications (Spradley, 1979; Van Maanen, 2011). Blomberg and colleagues (1993) have defined four main principles of ethnography: 1) natural settings, 2) holism, 3) description, and 4) point of view. The basis for ethnography is field work, where researchers study people in their _natural settings_. Holism means understanding a particular behavior in relation to the social and historical framework of everyday life. Further, ethnographers _describe_ what individuals actually do, not what they are supposed to do. Lastly, researchers create an understanding of the environment from the _point of view_ of their study (Gioia and Chittipeddi, 1991).

Typically, ethnography has three primary sources: 1) what people say, 2) the way people act, and 3) the artifacts that people use (Spradley, 1979). In other words, gathering data contains a combination of observation, formal or informal interviewing, and involvement in the current activities of the people. Due to wide interaction with the individuals, researchers are able to develop a descriptive understanding of the observed actions (Blomberg et al., 1993; Breidenstein et al., 2013). Participant observation and interviewing are the main data-collection approaches, but ethnographers also collect and analyze any records or documents that are significant to their study (Rogelberg, 2004). Ethnographic work is very time-consuming and takes place over a longer period of time because researchers need to engage in the social setting as fully as possible. In general, ethnographers are obliged to participate regularly in the lives of the people they are studying in order to follow their ordinary and routine behavioral and mental habits.

According to the research process, ethnography has been described as having a “funnel” structure (Atkinson and Hammersley, 2007, p. 160). Ethnographers start data collection with direction based on a broad theoretical standpoint (e.g., neo-normative control theory), but without a fixed set of analytic concepts, and their concentration narrows as the study unfolds. In other words, ethnographic work is flexible and responsive
to change, as the researchers continually need to develop new ways of thinking about what is being studied (Breidenstein et al., 2013). Blomberg and colleagues (1993) have described the ethnographic process as an “iterative, improvisational approach to understanding, wherein partial and tentative formulations are revised as new observations challenge the old, and where adjustments in research strategy are made as more is learned about the particular situation at hand” (pp. 129–130). In an ethnographic study, the research problem may be modified or transformed over time, or eventually its scope needs to be clarified and restricted. In this sense, researchers discover what the study is really about, and, not unsurprisingly, it turns out to be something different from the predicted problems (Atkinson and Hammersley, 2007; Breidenstein et al., 2013).

In summary, the strength of ethnography lies in its focus on limited settings, routines, and everyday life to understand the local view of what subjects believe, but the weakness of ethnography is its basis for general conclusions. Its approach tends to avoid generalizations, but it is in ethnography’s power to illuminate ideological points of view, bringing hidden or secret meanings to the surface, and to provide images, interpretations, and facts (Kunda, 1992). The claims for accuracy and generalizability are balanced through a presentation that is appropriately explicit for the reader to be able to evaluate the work. Further, it is important for readers to know what claims are being made by the researcher in the first place and why she believes that they are important (Atkinson and Hammersley, 2007). Geertz (1973) has suggested, “[ethnography] is to be resolved […] by realizing that social actions are comments on more than themselves; that where an interpretation comes from does not determine where it can be impelled to go” (p. 23). In other words, with the help of dense descriptions, ethnographic studies provide interesting and illuminating insights into observed phenomena. Ethnography does not provide a final solution to the problem of generalization, but neither can any other form of social research (Geertz, 1973; Blomberg et al., 1993).
3.2 Case Selection

Selecting the right case is essential to answering the research question (Eisenhardt, 1989), and the appropriate choice of related organizations, persons, places, and events for the data collection is usually tricky in qualitative research (Stake, 2005; Atkinson and Hammersley, 2007). Researchers need to decide where and when to collect the data, whom to talk to, and what to ask, as well as how and what to record. In this sense, it is also important to decide what is and is not relevant to the study and which data is available in the case. Eisenhardt and Graebner (2007) have suggested that the right case needs to be “particularly suitable for illuminating and extending relationships and logic among constructs” (p. 27). As mentioned before, the growing empirical evidence of neo-normative organizations is based on studies of organizations such as call centers (Fleming and Sturdy, 2009), IT firms (Ross, 2004), knowledge-intensive firms (Liu, 2004), and consulting organizations (Costas and Fleming, 2009). What these studies have in common is that, on the one hand, the organizations indicate control, efficiency, and mechanization, but, on the other hand, they show a special form of ‘liberation management.’ Fleming (2009) has seen the neo-normative approach as “especially relevant in highly competitive and dynamic industries that rely upon employee trust, discretion, initiative, and creativity” (p. 20). Moreover, Walker (2011) has revealed that the technology company Google uses neo-normative control to regulate employees behavior. In this sense, the criteria that justify the selection of the present work have been derived directly from the research question, theoretical categories, previous studies, and available data. In the initial approach, I defined the specific criteria for the appropriate selection of the case study partners. The cases should meet the following criteria:

- Organizations should be observable and empirically productive.
- Organizations should show bureaucratic control forms.
- Organizations should be market-oriented with dedicated customers and satisfied stakeholders.
- Organizations should provide a ‘just be yourself’ culture as a fun work environment with recreational facilities.
- Organizations should offer self-managing work teams and empowerment programs.
- Organizations should value creativity (and innovation).
In order to find organizations that meet these criteria, I looked to the above-mentioned industries; however, the German start-up scene provided me with a valuable direction. The characteristics of a start-up include creativity, innovative strength, calculated willingness to take risks, identification of opportunities, flat hierarchies, and exploitation (Mitchell et al., 2012). By most reporting and popular descriptions of young technology organizations and start-ups in Germany, it seems that they have adapted the ‘Google way’ of workplace control. Google has an unusual corporate culture in many ways, which, for some observers, is an extension of the college atmosphere at American universities (Amabile and Kramer, 2012b; Homma, Bauschke and Hofmann, 2014). German start-ups have adopted this culture in many ways (Lange et al., 2008). On the foundation of Blank and Dorf (2012), the Deutsche Start-up Monitor (DSM) has defined start-ups as follows: 1) start-ups are less than 10 years old, 2) start-ups are very innovative with their technology and/or business, and 3) start-ups have achieved or are aiming for significant employee and/or revenue growth (Ripsas and Tröger, 2014). In other words, start-ups are innovative, but they face the challenge of improving efficiency to deal with employee and revenue growth (Harryson, 2008). Moreover, studies show that start-ups have a high level of creativity and a strong customer focus (e.g., Heunks, 1998; McMullan and Kenworthy, 2014; Sarooghi, Libaers, and Burkemper, 2015). Greiner (1998) has argued that, in start-ups, “decision and motivation are highly sensitive to marketplace feedback, management acts as customers react” (p. 6). In addition, Hyvärinen (1990) has also described young technology organizations as market-oriented, with their “quick reaction towards changes in the market and new possibilities” (p. 72). In this sense, start-ups meet the listed criteria and are appropriate cases for this research.

For an appropriate case, I searched for start-ups with positive organizational culture and a high degree of innovative performance. To ensure that employees would perceive the culture as positive – as is mostly the case in neo-normative control studies – I looked at different employer rating portals, such as karriereweg.de, kununu.com, glassdoor.com, and jobitorial.com. In particular, kununu.com published a list of the best places to work within the technology start-up field in 2016 (Kununu.com, 2016). I took this list as a starting point and evaluated the company website according to their values and innovations. I checked the website to see how the company and its employees presented themselves, what photos or images they used, and what values they described on the recruiting page. Thus, the degrees of creativity are difficult to compare. I analyzed the companies for innovation awards, which evaluate the creative potential of the candidates (for example, the German Innovation Award “Land der Ideen”). In addition, I looked at the websites to verify whether the companies have defined creativity as an employment
criterion and as a company value. In the end, I found six companies that are younger than 10 years old, have won various innovation awards, have defined creativity as a company value, have grown rapidly in recent years, and have received the best possible awards in employer evaluation platforms. These companies all had their offices in the greater Berlin area and I contacted all of them via e-mail. The research interest in the companies was framed with regard to ‘creative culture’ in innovative organizations. It turned out that the project description met the company’s curiosities and two companies showed interest in a collaboration. At the beginning of my research, I left the question of the number of cases open. Both a single case study with an organization and different variants of comparative case studies with several organizations were conceivable (see Yin, 2013). Due to the fact that two companies ultimately offered me the option of data collection, I decided to analyze two cases. LegalTech and InsureTech⁴ were appropriate case selections for this research because of their strong reputation in the industry as innovative companies and as very well-rated employers. When I approached managing directors about the outlook of my study of the company workplace, they seemed to understand why a hands-on analysis might be useful. My field research encompasses two longitudinal case studies: LegalTech, which I attended during the period from February 2016 to May 2016, and InsureTech, which offered me the opportunity for field research between June 2016 and September 2016.

3.2.1 LegalTech

LegalTech is an IT start-up that has set itself the task to disrupt traditional law firms by focusing on online-based legal services. The company was founded in 2010 as a two-person entrepreneurial venture: one lawyer and one business engineer. The business engineer left the company after three years and the lawyer is currently the Head of New Venture. Another person is the CEO (Chief Executive Officer). For several years, LegalTech remained small, but, in 2014, it embarked on a new growth plan combined with a new branding approach. The office is located in an old industrial building in the greater Berlin area in Germany. LegalTech is the market leader. By 2016, the company employed 81 people. Table 3–1 (p. 73) presents the employee structure, including gender ratio, average age, number of nationalities, and number of office dogs.

⁴ The company names LegalTech and InsureTech are pseudonyms used to protect the identities of the people involved.
LegalTech’s mission is as follows:

*We are committed to making sure that being right is always translated into being proven right.*

The company also cited seven organizational values on its website:

- **Customer first:** Start with the customer and work backward to achieve the best customer experience possible to gain and maintain the trust of our customer.

- **Getting things done:** Speed matters in our business. Calculate risk-taking to create momentum, and keep in mind that many business decisions are reversible and do not need extensive study. Focus on better results instead of on the process.

- **Keep improving:** Look for ways to get better than you are today. Be open-minded to new ideas and new ways to get new things done.

- **Teamwork:** People are the company’s biggest asset. Value respect, relationships, and the sharing of knowledge. Knowledge-sharing, resources, and opportunities are fundamental to our success. Seek what is best for our company instead of an individual.

- **Think big and outside of the box:** Thinking big helps us grow as a team and as a company. It’s about never being limited by what is already known and never accepting traditional methods of doing things.

- **Show respect:** Treat individuals with respect regardless of their status or disagreement. Seek to understand each other and assume that everyone is acting with good intentions, based on the information they have.

- **Take initiative and opportunities:** Don’t wait to be told what to do. As a fast-developing organization, there are many opportunities to take over responsibility.
On the website, LegalTech also describes its work approach: self-driven, committed, and straightforward, taking full responsibility for projects. Its flat hierarchies and cross-company collaboration are intended to increase speed and innovative strength. The company structures its work with three hierarchical levels and eight departments: Finance, Legal, Marketing, Business Development, Human Resources (HR) and Sales, Customer Care, New Venture, and Information Technology (IT). Each department operates as a self-managing team. Figure 3–1 reveals the flat corporate structure with the individual departments. Only the IT department has a fourth level of hierarchy.

LegalTech may be categorized as a knowledge-intensive company. This type of company is an organization whose fundamental economic resource is not labor, land, or capital, but knowledge. LegalTech recruits skilled people with academic backgrounds, and the development of the technology is non-standardized and requires individual problem-solving skills. The employees need to take responsibility from the onset – all the while, learning in both an international and interdisciplinary environment. LegalTech describes their philosophy as challenging work which enables individuals to make the most of their talents. On the recruiting website, the company remarks:

*Are you interested in a fast-growing, internationally positioned company and ready to redefine the legal market? You like to work in an environment where you can control and directly influence many things yourself? Where internationality, different languages and cultures create a very open-minded atmosphere and where it is always fun to outgrow yourself? Then you’ve come to the right place!*

LegalTech describes their way of working as “work hard, play hard” and offer a variety of non-work-related benefits. The benefits include, for example, fresh fruit,
various drinks including beer and gin, yoga classes, language courses, lunch vouchers and a coffee flat rate for each employee in coffee bars near the office.

3.2.2 InsureTech

InsureTech is very similar to LegalTech. InsureTech was also founded in 2010, but as a three-person entrepreneurial venture to change the insurance industry by focusing on online-based services. Two of the founders have business backgrounds, and the other is a lawyer. After another round of financing in 2014, the company grew rapidly. The three founders continue to be managing directors, who also share the CEO role. By 2016, the company employed 82 people and had moved offices three times, which is now located in Berlin, Germany. Table 3–2 presents the employee structure of InsureTech. InsureTech has a structure similar to LegalTech, with a slightly higher proportion of men.

Table 3–2: Employee Structure of InsureTech. Own table.

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<tr>
<th>Gender</th>
<th>Percentage</th>
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<tr>
<td>Men</td>
<td>59%</td>
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<td>Women</td>
<td>41%</td>
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<td>Average age</td>
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<td>Nationalities</td>
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<td>Dogs</td>
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InsureTech’s mission is as follows:

*We believe that customers want to be treated fairly by their insurance companies. At the same time, they want to spend as little time as possible taking care of their insurance. Each innovation should take these two customer needs into account.*

Subsequently, the company describes four values on its website:

- Customer focus: Our customers and their needs are at the center of our work.
- Innovation: Innovation stands for our claim to always produce the best insurance solutions.
- Fairness: We want no one to have to pay more than is necessary and everyone involved to benefit.
- User friendliness: We design all processes to be as simple, comprehensible, and transparent as possible.
On the company website, InsureTech asserts that being a part of the team means re-thinking things every day to bring together two worlds: customer-oriented technical innovation and the insurance industry. Moreover, the firm argues that only a happy team can accomplish their mission. On the website, the company remarks:

*At the same time as we are working in a start-up atmosphere, on a growing product with a lot of space for creativity, what we are building and the processes we are working on are equal to that of huge international companies.*

The company also has flat hierarchy, which consists mainly of a top manager and workers in the technical core. InsureTech has three CEOs, and it is organized into ten departments: Business Development, Support, Customer Relationship Management (CRM), Communication, Product, Business Intelligence (BI), Human Resources (HR), Performance Marketing, Finance, and Information Technology (IT). Top management is a vital part of the structure, and direct supervisors manage the departments from the top rather than middle managers. Figure 3–2 shows the flat organizational structure of InsureTech. Compared to LegalTech, there are only three levels of hierarchy. InsureTech, however, has a greater number of departments.

InsureTech may also be categorized as a knowledge-intensive company. The business operations depend heavily on professional work, and, according to the recruiting website, the company mainly searches for people with academic backgrounds. For InsureTech, a happy team is important; they state that fun is a central part of their culture. On the recruiting website, the setting is described as follows: weekly update meetings for all employees, two-way feedback, German courses, a modern office concept, a community feeling across all levels, an employee participation program, and renowned international investors.
3.3 Data Collection

Following the ethnographic layout, I collected data through interviews, observations, and secondary sources. The data collection method was based on the triangulation of multiple sources to enhance the validity of the qualitative data (Yin, 2013). The advantage of such a triangulation of various data sources is the comprehensive understanding of the phenomenon being investigated. For example, I was able to assess the unusual content of the interviews (such as high euphoria or extreme criticism) in comparison with other interviews and with the participatory observations. The same applied to the document analysis. The comparison of internal and external documents illustrates how the companies present themselves in relation to the value systems. In this sense, I was able to make statements about the respective companies as a whole. The primary source was comprised of 41 semi-structured interviews with intern, managers, founders, and managing directors at the two companies. The data collection was completed during two field studies. As mentioned previously, the first field study took place from February 2016 to May 2016 and the second between June 2016 and September 2016. During the field research, I spent approximately 330 hours in the two companies (up to three days per week for three months each). I participated in regular weekly meetings, innovation meetings, product development projects, workshops, daily informal lunches, ping-pong sessions, and after-work activities. Further, I also conducted five creativity workshops for the two companies. Table 3–3 reveals the exact amount of data collected in the comparison of companies.

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<tr>
<th>Table 3–3: Overview of Data Collection. Own table.</th>
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managing directors to gain access to multiple informants. In both companies I was in constant exchange with the managing directors and also had my desk in the managing director’s office at InsureTech.

3.3.1 Field Research

The focus of my field research was on expressed arguments and behavior, verbal and non-verbal responses to these expressions, and general relationship dynamics. I attempted to remain as little as possible in the observations. At the beginning of my fieldwork I once presented my research project briefly in the company-wide meetings, but, over time, this protocol was forgotten, so I grew into a self-sufficient traineeship. At both companies, I ran through a standardized ‘onboarding’ process and received detailed introductions on the tools and the working mode. In addition, I gained complete access to all internal information. At LegalTech, I supported the Head of HR & Sales, and, at InsureTech, I was a direct subordinate to the managing directors. Remaining completely passive was not possible, because the managing directors expected a trade-off for their openness. I assisted in the development of different recruiting tools and created different competition analyses. So, my role developed into a kind of coaching and sparring partner for my gatekeepers. In addition, with training and experience as a creativity lecturer, I performed different creativity workshops for the two companies. The field research also offered me unique access to in-depth informal conversations and ability to analyze internal documents. Given that, this strong participation in the field was facilitated by almost total involvement, which blurred the line between observer and participant status. So, during the day, I wrote short field notes about my observations (see Walford, 2009), which, in the evenings, I expanded into larger and more detailed texts, and which allowed a reflective distance from the participant observations. Furthermore, ‘coming home’ after the workdays and conversations with friends and scientific colleagues helped to distance me from the field. Ethnographic work requires the researcher to deeply immerse herself in the culture and to adapt the way of thinking (Breidenstein et al., 2013). In this sense, an inevitable loss of distance is a necessary part of the method (Girtler, 2001). Accordingly, contact with the interview partners was discontinued for the data analysis. The direct comparison of the two companies in the evaluation was also helpful in recognizing the ideological convictions of the organizations. My field research was iterative, and the second case further enhanced my understanding of the organizational context.
3.3.2 Semi-structured Interviews

A major part of the empirical data was collected through interviews: at LegalTech and InsureTech, 23 and 18 organizational members were interviewed, respectively. The interview sample represents 28% of the workforce at LegalTech and 22% of the staff at InsureTech. As a part of the onboarding process at the companies, I received a company e-mail address and access to the employee calendar. To ensure that the sample would be representative, I decided to interview people from all hierarchical levels and departments. The organizational structures gave me a starting point for identifying potential interviewees according to department affiliation and hierarchical level. With those results, I looked at the individual calendar and sent out e-mails with dates, times, and meeting rooms and in which people were asked to participate voluntarily in the study. At the outset of each interview, I briefed the organizational members about my research interests and the future use of the data. The interviews ranged from 40 to 90 minutes. All the interviewees agreed to have the conversations recorded. In addition to recording the conversations, I noted salient statements and observations. These notes served me as a guide during the conversations to ask follow-up questions and were also indications for the initial analysis and “theoretical sampling” (Meyer, 2001, p. 333). The interviews took place both on-site and in cafes, bars, or parks. Table 3–4 presents the number of interviews per hierarchical level (for more details, see Table Appendix–2, p. 226).

<table>
<thead>
<tr>
<th>Hierarchy Levels</th>
<th>LegalTech</th>
<th>InsureTech</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Directors or Founders (MD/F)</td>
<td>2</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Head of Department (HoD)</td>
<td>5</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>Team Leader (TL)</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Junior or Senior Manager (M)</td>
<td>13</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Intern (I)</td>
<td>2</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
<td><strong>18</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>

Following Spradley (1979), the interviews were semi-structured and open-ended (see also Table Appendix–1). In general, the conversation followed an ethnographic interview guide:

1. General questions to obtain information on the position of respondents in the company.

2. Formulating questions about culture, working life, collaborative work, and change.
3. Focus on questions about creativity, motivation, and barriers to creative work.

4. Closing remarks from the respondent.

The interview guide provided an overall framework and ensured that all the interviewees were asked about the same aspects. For each hierarchical level, I prepared an individual interview guide because managers may also influence their employees through their actions and behavior. Managing directors especially have a significant influence on the entire company. Therefore, I adapted my guide to consider this aspect. The interview opened with an icebreaker question, which successfully served the function of a conversation starter (“What is your job description?”, “How long have you worked in this organization?” or “How would you describe the working atmosphere/culture?”). These questions provided information about the interviewee and his or her attitude towards the organizational culture. The dramaturgy of the interviews moved from the everyday work of the interviewees to engaging in phenomena of interest. The questions about creativity went from the general to the more specific. At the end of each interview, I returned to a more abstract level with a closing question (“What is one thing you would change about the company if you could?”). The interview guide was used flexibly to provide surprising insights and to turn the interview into an informal conversation. In many cases, when I stopped the recording, I gained additional information, which I then wrote in my memos. The depth of the data and the quality of the interviews gathered varied. The longer I was in the field, the better the conversations became, and the more the interviewees opened up.

3.3.3 Secondary Sources

In addition to the observation and the interviews, I analyzed external documents, such as the company website, PR articles, newspaper articles, social media websites, and employer rating portals, to familiarize myself with the business model, the market position, and the reputation of the company. Moreover, I studied internal documents, such as onboarding processes, value descriptions, company presentations, e-mails, and internal newsletters. At LegalTech, I eventually had the opportunity to investigate their internal idea platform. The documentation analysis was used to gain an understanding of the organizational context and to acquire the specific vocabulary and expressions frequently used in the companies. By becoming familiar with them, I was able to better understand and to build a relationship with the organizational environment. Moreover, the analysis
of internal documents helped me to differentiate between my own semantics and corporate semantics during the research process.

3.4 Data Analysis

Ethnographers often describe their craft with an aura of heroism associated with their activities. Some scientists call their fieldwork adventures (Kunda, 1992). The difficulties of ethnography are not only found in the unknown culture, but also in the analysis and reporting of the findings. The little things observed in everyday life are documented in the form of many facts, rumors, stories, essays, numbers, and endless pages of field notes. In other words, analysis is challenging due to a large amount of data (Breidenstein et al., 2013).

In contrast to deductive research logic, which tests theory-based hypotheses and evaluates existing theory (Bitektine, 2008), and differentiating from a purely inductive approach based on empirically determined data (Eisenhardt, 1989; Gioia et al., 2012), this data analysis is based on an abductive approach (Alvesson and Kärreman, 2007; Locke, Golden-Biddle, and Feldman, 2008; Reichertz, 2013; Ketokivi and Choi, 2014). When I entered the field, I had some concepts about organizational control and creativity in mind. The abductive procedure involves an iterative process and modifies the logic of theory in order to reconcile it with contextual idiosyncrasies (Mantere and Ketokivi, 2013). While an inductive approach as understood by Grounded Theory researchers (see Glaser and Strauss, 1967; Strauss and Corbin, 2008) creates theoretical derivations from the empirical data, abduction means using theory as the starting point in order find ‘surprising’ empirical phenomena to expand the theory. For Alvesson and Kärreman (2007, p. 1269), abduction involves three steps: “(1) the application of an established interpretive rule (theory), (2) the observation of a surprise in light of the interpretive rule empirical phenomenon, and (3) the imaginative articulation of a new interpretive rule (theory) that resolves the surprise.” Ketokivi and Choi (2014) have labeled this research approach “theory elaboration” (p. 233). In addition, some scholars have described abduction as a combination of logic and creativity (Reichert, 1992, 2013; Bidlo and Schröer, 2011). In this sense, it seems to me appropriate to use an abductive approach to explore creativity. Before I approached the field, I had theoretical knowledge; however, while studying the field, I was open to and searched for surprising phenomena. These phenomena led me to findings regarding creativity, freedom and control.
Miles and Huberman (1994) have suggested that qualitative data analysis contains three steps: (1) data reduction, (2) data display, and (3) conclusion drawing/verification. Data reduction indicates the process of reducing and arranging the amount of data (interview transcripts, field notes, observations, etc.) that has been obtained. Data display means making a conclusion from data, which represents ways to organize, summarize, simplify, or transform data (Verdinelli and Scagnoli, 2013). This process is repeated during data collection. In the conclusion drawing/verification step, researchers develop the final conclusions of their study. These conclusions can be verified by referencing existing field notes or further data collection. In the first step, I transcribed all the data and coded them using qualitative data analysis software (MAXQDA). Coding is the organization of data into concepts. Miles and Huberman (1994) have noted that “codes are tags or labels for assigning units of meaning to the descriptive or inferential information compiled during a study” (p. 56). Figure 3–3 (p. 83) illustrates the coding procedures I used during the analysis. First, I carefully read all the data, identified related statements about creativity, motivation, organizational culture, expertise, ideation processes, and leadership, and assigned a code or category to the statements, such as “motivation to be creative,” “open atmosphere,” “management support,” or “no time to generate ideas.” While coding, I generated more categories or divided the codes into several categories. This is referred to as open coding (see Strauss and Corbin, 2008). Second, using the codes developed in the first step, I reread my data and searched for statements that might fit into the categories of freedom and control, and then developed further codes. This is labeled axial coding. Third, I became more analytical and looked into patterns and explanations in the codes. For example, I contextualized codes about freedom and creativity, and I identified causal relationships between them. Fourth, I reread all the data in order to look for data that was contradictory, as well as confirmatory to illustrate my findings. This step is called selective coding. The purpose was to find similarities and differences in the data and produce a condensed description about how and when creativity is experienced in the organization. While coding, I ensured that the codes were valid, mutually exclusive, and comprehensive (Miles and Huberman, 1994). In summary, I coded 4517 statements into 145 codes, which I categorized into 14 themes. Table Appendix–3 (pp. 227–229) presents the final scheme of the selective coding.
Although I had two different cases, I decided to pursue a joint analysis to strengthen validity (see Yin, 2013a). Therefore, I was able analyze the data across different situations to understand the similarities and differences between the cases. This also allowed me a wider discovery of theoretical evolution. For the final data structure, I organized the data as suggested by Van Maanen (1979) (see also Gioia et al., 2012), whereby statements or sentences were grouped into first-order concepts and separated from entities with different meanings. For example, a first-order concept is ‘Participation in Fun Activities.’ Further, I grouped first-order concepts into second-order themes, which are based on the selective coding. This procedure was an iterative approach of moving forth and back between data and theory-building. Lastly, I related the second-order themes into three theoretical aggregate dimensions. In this sense, the data analysis went from the particular to more abstract context (Saldaña, 2010). This data structure is not only a graphic representation of how I progressed from data to concepts and themes in conducting the analyses, but also a sensible visual support for the empirical results (see Gioia, Corley, and Hamilton, 2012). Figure 3–4 (p. 84) illustrates the resulting data structure with the first-order concepts, the second-order themes, and the aggregate dimensions that underpin the results presented in this thesis.
Figure 3.4: Data Structure. Own figure.

1. Bureaucratic Control
   A) Management Behavior and Direction
   B) Formalized Instruments

2. Normative Control
   C) Hiring People Who Fit into the Culture
   D) Culture of Openness
   E) Identification with Values

3. Market Forces
   F) Customer Expectations and Feedback
   G) Competitors and Investors Pressure

4. Work Autonomy
   H) Self-determination of Activities
   I) Self-determination of Conditions

5. Authenticity
   J) Private Self as a Resource
   K) Humor and Laughter

6. Community
   L) Participation in Fun Activities
   M) Amicable Working Relationship

SYSTEM OF CONTROL

CREATIVITY

PRACTICE OF FREEDOM
3.5 Data Validation

In ethnography, as well as in other qualitative research, it is not essential to achieve apparent generalization by conducting data as extensively as possible. Instead, the research aims to capture the essence of a phenomenon (Atkinson and Hammersley, 2007). The field study is especially helpful, because the researcher ‘gets a feeling’ for the typical environment if she spends enough time in the field. It is not necessary for an action to be repeated on a regular basis to be able to interpret it as typical, because this results from the social and cultural context (Girtler, 2001). However, the qualitative data collection and analysis is also subject to critical voices by remarking the principle of falsification and the lack of comprehensibility and verifiability of the interpretative findings (Miles and Huberman, 1994).

Hammersley (1992) have defined validation for ethnography based on “reliability (agreement between the findings of different observers or between the findings of the same researcher on different occasions) and predictive validity (agreement between the results of the research and established measures of the relevant property)” (p. 196). 

Reliability is the accuracy of the procedure and measurement. The consistency check is important in order to prove that repetition of the examination would lead to the same results. Yin (2013a) additionally subdivided the validity in qualitative research into three subcategories: construct validity, internal validity, and external validity. The term construct validity refers to the correct selection of the data collection instruments. Internal validity indicates the validity of the established causal relationships and their intersubjective verifiability. Internal validity ensures that the examination conditions lead to the results obtained. For this reason, data analysis should establish causal relationships between the different variables and also provide a credible and clean argument process. Lastly, external validity confirms theoretical prognoses. To ensure reliability and validity during the data analysis process, I took a number of measures: First, due to the major challenge of ‘going native,’ namely, being too close and essentially adopting the view of the informants, it is necessary to eliminate the higher-level perspective. For this reason, I regularly discussed the data analysis with my doctoral supervisors and other researchers. They played the ‘devil’s advocate’ and critiqued the interpretations that looked potentially a little too naïve. In addition, three other researchers also coded data to ensure inter-coder reliability (see Lombard, Snyder-Duch, and Bracken, 2002). Inter-coder reliability characterizes the conformity of codes by independent coders (Mayring, 2000). The three scientists coded the same material separately, and, together in a meeting, we compared whether the respective text passages were assigned to the same categories. Second, the
use of different data sources enabled a better assessment of the individual statements (from interviews, documents, or within the framework of the participant observation). Data triangulation addressed the potential problems of construct validity, as the different sources provided numerous measures of the same phenomenon (Miles and Huberman, 1994). While the interviews exposed how individuals talked about, conceptualized, and understood their organizational life, the participants’ observational data provided me with authentic insights into the organization’s implicit, rooted, and unspoken behavior, practices, and understandings. The internal and external documents gave me information about the cultural values, the language and meaning systems, and the external strategy.

Third, internal validity was achieved by integrating contradictory statements. I also interviewed dissatisfied organizational members, and critical evaluations from external sources were consulted. Fourth, to strive for external validity, I used a multi-case design to produce more compelling and robust findings, and direct replication was possible.

Finally, during the data collection process, I reflected critically on my own role and tried to always be aware of how it may have influenced the findings. The processing of the field notes and the conversations with friends, scientific colleagues and supervisors helped me to maintain the necessary distance to the field. Particularly during the creativity workshops, I reflected on my behavior and summarized my experiences with the distance of a researcher. First, I discussed the choreography of the workshops with experienced workshop facilitators helping me retain neutrality and second, immediately after the workshop I wrote longer texts, which I discussed in depth with colleagues and friends.

Aside from that, for an ethnographic report, an appropriate presentation is crucial. Ethnographers do research differently from, for example, a chemist, whose investigations and accompanying observations can easily be traced and repeated by other scientists. The ethnographers examine material 1) that the readers cannot investigate themselves, 2) for which re-examination is excluded under the same conditions, and 3) that, due to prior knowledge, the exact imitation is excluded (Breidenstein et al., 2013). Thus, ethnographers usually work alone, and they cannot utilize witnesses to confirm their representation during the analysis or the preparation of the report. The author of ethnographic reports only has the text to convince the reader. According to Latour (2005, p. 131), social science researchers are successful when they capture the energy, movement, and specificity of the respective situations to make the findings comprehensible. In this sense, a useful research report is always a “thick description” (Geertz, 1973, p. 10). Gobo (2008) has defined different opportunities to present an ethnographic report. The three main types of narrative are realist, processual, and reflexive (pp. 290–299). The realist narrative presents the ethnographic description as the only possible one. The
ethnographer does not appear and remains depersonalized, speaking in the third person and using a distanced and documentary style. The text uses the present tense, which provides the descriptions an universally valid claim over time. In contrast, the *processual narrative* relates a discovery process of the author. The author writes in the first person, and the ethnographic report describes personal experiences, surprises, errors, and failures. The text can also use the present tense to accentuate the temporality of events. The *reflexive narrative* informs the reader that the report is only one possible version. In this case, the report gains its credibility from the reflexive questioning of its authority. Through the self-reflective inclusion of the author’s position, the author ultimately becomes more unassailable (Breidenstein et al., 2013). Most ethnographic reports use the reflexive narrative (see e.g., Geertz, 1973; Latour, 2005; Gobo, 2008). This thesis uses the reflexive narrative to describe the data to validate the findings. Informal talks, casual contacts, and informal interviews can thus be viewed objectively (Gobo, 2008).

In summary, I used an ethnographic layout for the research design. I collected data in two innovative start-ups. The data are based on participatory observations, interviews, and secondary sources. For the data analysis, I followed the analysis approach by Van Maanen (1979) and by Gioia, Corley, and Hamilton (2012), which also serves as a structure for empirical analysis. The reflexive narrative is used to focus on individual situations to enhance the comprehensiveness of the data description. The report is divided into two main points, the control system and the freedom that the system provides to govern creativity.
4 Empirical Analysis

In this chapter, I analyze how organizations provide freedom to control creativity. The analysis includes two main dimensions: ‘System of Control’ and ‘Practice of Freedom.’ I firstly describe the system of control, which builds the basis for the practice of freedom. Subsequently, I describe how freedom is exercised within the practice of freedom dimension. The dimensions include different concepts that I explain in a general view, and then I use them as a basis for explaining the interrelationship with creativity. In this sense, the general description of the organizational context serves as a basis for the analysis of creativity.

The system of control is the approach to control organizational members to produce creativity. It is an extended concept regarding neo-normative control and includes bureaucratic control, normative control, and market forces. The practice of freedom is the individual perception of freedom and involves the themes of work autonomy, authenticity, and community. Even though the data has its origin in two cases, there are no separate chapters or sections devoted to the individual cases. As the findings of the different cases are similar, the entire report consists of a cross-case analysis to develop a comprehensive understanding of the findings (see also Yin, 2013). Figure 4–1 reveals the model of the empirical data and the process of the report. The theoretical background has exposed that freedom is an essential factor in fostering creativity, and control is an obstacle to creative expression. In addition, the theory states that freedom can exist in different facets in organizations and can be exploited as a form of control.

![Figure 4–1: Empirical Analysis of Control Creativity. Own figure.](image)

Table 4–1 (pp. 90–91) displays representative first-order data, the basis on which the first-order categories and second-order themes were determined. The table contains core quotations and is therefore to be understood as an overview of the data.
Table 4–1: Core Quotations. Own table.

<table>
<thead>
<tr>
<th>Second-order Themes and First-order Concepts</th>
<th>Representative Data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overarching Dimension: System of Control</strong></td>
<td></td>
</tr>
<tr>
<td>1. Bureaucratic Control</td>
<td></td>
</tr>
<tr>
<td>A) Management behavior and direction</td>
<td>“It's always a question of control. Someone who is very skeptical simply wants to keep the situation under control and in many cases, this is also good. When it comes to new ideas ..., you can let go of the reins a little bit ...” (InsureTech, CRM, M).</td>
</tr>
<tr>
<td>B) Formalized instruments</td>
<td>“I'm not at all a friend of any kind of structures and any positions attributed to it, because it totally restricts creativity” (InsureTech, Product, M).</td>
</tr>
<tr>
<td>2. Normative Control</td>
<td></td>
</tr>
<tr>
<td>D) Hiring people who fit into the culture</td>
<td>“I think you can ensure creativity ... simply by employing the right people ... which will then attract the right people again ...” (InsureTech, MD/F).</td>
</tr>
<tr>
<td>E) Culture of openness</td>
<td>“If I express an idea, it is positively perceived, and it will be accepted immediately” (InsureTech, Performance Marketing, M).</td>
</tr>
<tr>
<td>F) Identification with values</td>
<td>“Well, if I have an idea, it's mostly because I want to move the company forward because I identify with it” (LegalTech, Marketing, M).</td>
</tr>
<tr>
<td>3. Market Forces</td>
<td></td>
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<tr>
<td>G) Customer expectations and feedback</td>
<td>“I'm motivated to be creative because we operate with a good case and really make our customers happy in the end ... that's what I keep an eye on all the time in my work. So that this result comes out at the end of the day” (LegalTech, Marketing, M).</td>
</tr>
<tr>
<td>H) Competitors and investors pressure</td>
<td>“As soon as any external pressure is suddenly generated ... Danger always brings such a team together. Of course, that also stimulates creativity ... I think the best ideas come when the s--- hits the fan” (LegalTech, IT, M).</td>
</tr>
</tbody>
</table>

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5 The following abbreviations are used for quotations: MD/F = Managing Directors or Founders; HoD = Head of Department; TL = Team Leader; M = Manager (Junior or Senior Manager); I = Intern.
Table 4–1: Core Quotations (Continued). Own table.

<table>
<thead>
<tr>
<th>Second-order Themes and First-order Concepts</th>
<th>Representative Data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overarching Dimension: Practice of Freedom</strong></td>
<td></td>
</tr>
<tr>
<td><strong>4. Work Autonomy</strong></td>
<td></td>
</tr>
<tr>
<td>I) Self-determination of activities</td>
<td>“... as soon as I have the feeling that I have a problem, which I can solve myself, it is up to me how I solve the problem. That motivates me and so do many others. This also motivates teams as a whole. Just being free to be creative about how to solve the problem” (LegalTech, IT, M).</td>
</tr>
<tr>
<td>J) Self-determination of conditions</td>
<td>“It is said we have the freedom to take time for ideas. But it doesn’t do any good if we take 10 minutes during the day and then have to stay longer at the end of the day. And that’s a big problem ...” (LegalTech, Marketing, M).</td>
</tr>
<tr>
<td><strong>5. Authenticity</strong></td>
<td></td>
</tr>
<tr>
<td>K) Private self as a resource</td>
<td>“So, what I always do ... very much in the evening, at night, on weekends to deal with related topics, read a book or something. And then I think of ideas ...” (InsureTech, Product, M).</td>
</tr>
<tr>
<td>L) Humor and laughter</td>
<td>“[We] do meetings, which are fun and creative. For example, yesterday I had a session [with a colleague], and we were totally creative. Because at some point we came up with totally fun ideas” (LegalTech, MD/F).</td>
</tr>
<tr>
<td><strong>6. Community</strong></td>
<td></td>
</tr>
<tr>
<td>M) Participation in fun activities</td>
<td>“[We] have the [SummerWorkshop] once a year, where everyone is always very creative. We are very productive and you can notice that our supervisors are very happy about it” (LegalTech, Marketing, M).</td>
</tr>
<tr>
<td>N) Amicable working relationships</td>
<td>“Whatever you need to see, how creativity or innovation is created in our company, is much after work. By the fact that we’re all friends, too, and doing something here and there. We go out for a drink with the IT Team, and we ask them how they can do that or that, because a lot is going on where the managing director doesn’t know much about it” (LegalTech, New Venture, M).</td>
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4.1 System of Control

The system of control is an expansion of neo-normative control, which includes the elements of bureaucratic control, normative control, and market forces. It is the well-defined intention of the companies to control employees’ behavior and manage creativity. The system aims to direct control creativity but also to serve as a framework for the provision of freedom and to implicitly control members. I begin with the explicit form of control and expand the analysis with more subconscious instruments. Figure 4–2 reveals the individual dimensions of the system of control with its elements.

![System of Control Diagram](image)

Figure 4–2: System of Control. Own figure.

4.1.1 Bureaucratic Control

Bureaucratic control is the most direct and evident form of control and involves division of labor, hierarchy of authority, and formalized rules and procedures (Courpasson and Reed, 2004; Höpfl, 2006; Tijsterman and Overeem, 2008). These elements can be summarized into centralization and formalization. Centralization derives from lines of authority, which stem from the employee’s position in the hierarchy of the organization. The higher up the hierarchy, the more an individual has authority to dictate rules and procedures. Formalization includes the level to which explicit rules, regulations, and procedures control organizational activities (Hodgson, 2004). Although LegalTech and InsureTech aim to use as little bureaucratic control as possible, various centralization and formalization processes are in place to increase efficiency but also to manage creativity. However, the companies are aware that bureaucratic control can also be an obstacle when it comes to creativity.

*I’m not at all a friend of any kind of structures and any positions attributed to it, because it totally restricts creativity (InsureTech, Product, M).*
In this section, I reveal how bureaucracy aims to enable creative behavior. I introduce bureaucratic control based on *Centralization* and *Formalization* in a general organizational context before I reveal how control, based on *Management Behavior and Direction* and *Formalized Instruments*, seek to influence creative behavior.

*Centralization*

Centralization refers to the power distributed through the hierarchy (Hirst et al., 2011). LegalTech and InsureTech use a hierarchy for coordination. Higher-level authorities instruct issues that are executed by subordinates who are specialized in certain areas of responsibility. Both companies have a ‘flat’ hierarchy, which means an organizational structure with little difference in hierarchy levels and therefore few authorities with power of attorney.

... really, this freedom of decision-making you have here. Also, relatively flat hierarchies (LegalTech, Human Resources, M).

In this sense, the communication channels are short and direct. The flat hierarchy is intended to enable employees to make decisions at lower levels as well. LegalTech and InsureTech have only four or five hierarchy levels: 1) Managing Director, 2) Head of Department, and 3–4) Team Leader and Manager. The fifth level would be the trainees, but they are also involved in the decision-making process and are treated in a similar way as the manager. Although flat hierarchies are in place with special emphasis on equality at all levels, the hierarchy is formalized and pronounced, with some career steps and associated titles. Because all organizational members are of similar age and dress the same, the hierarchy levels are hardly recognizable from the outside. However, the hierarchy still plays a decisive role for many employees.

*I put my foot in it the very first day. We were sitting at the kitchen ... then Head of Business Development sat down at the table and I asked him ‘What are you doing?’ He’s, like, four years older or something. And then he looked a little weird and said, ‘I’m doing a little business development here.’ Later I took another look at the [internal network]. Oh God, Head of Business Development. Oh s---! (LegalTech, Human Resources, I).*

In principle, the flat hierarchies are concerned with empowering employees to make decisions on their own, but managers also apparently still decide what needs to be done. The higher the position, the stronger the decision-making power and the delegation of
tasks. This process sometimes requires decisions to first receive approval by numerous people. The supervisors delegate tasks and decide achievements.

*If you don’t show people what they can do, then they are completely standing in front of a white wall and don’t know they are doing good work ...* (LegalTech, Business Development, HoD).

The managing directors hold another special position of power. At LegalTech and InsureTech, the executives shape the company through their values, behavior, communication, and rules. In particular, the managing directors and founders have a major influence on employees and on atmosphere in the companies. They determine the working conditions and also serve as a model with their own behavior. They serve as a behavioral example and are imitated as models for specific roles. The managers pursue specific goals and attempt to achieve them by communicating with their employees. This is done verbally, in rules, or in indirect communication as gestures and facial expressions.

*From my observation, the founders have a strong influence on the atmosphere, because many people look at us to see whether we are doing well, whether things are going well or not (InsureTech, MD/F).*

For example, the managing directors at LegalTech and InsureTech influence the humor of employees and open communication. The managing directors serve as a reference for the organizational members. They convey a vision for the company and place equal emphasis on understanding and feelings.

Hierarchies also serve for the areas of responsibility for content. LegalTech and InsureTech divide their tasks into different departments. These tasks are functional and enable a productive division of labor. Information on the most important operational issue is disseminated horizontally and along the flat hierarchy. Employees are involved in management decisions regarding their work unit. At both companies, the work is divided into lateral workflows in which multifunctional teams form a core of the organizational process. Responsibilities, project priorities, and time intervals between projects constantly change to increase communication and speed. Particularly at InsureTech, organizational members often work in multifunctional teams, which is mentioned on the company website.
In [InsureTech] we believe in working in cross-departmental teams and not in separated departments with separated projects and processes. (InsureTech, website).

The flat hierarchies aim to increase the decision-making process and the comparatively uncomplicated collaboration within the company. Different meeting formats are intended to increase this collaboration and communication even further. Various meeting configurations reflect different types of association and reasons for meeting. Most meetings fall into one of four main categories: 1) team meetings, 2) work-group meetings, 3) informal meetings, and 4) total company meetings. Team meetings are work-related meetings with the manager and immediate subordinates, also known as direct reports. Team meetings occur at all levels of the organization. The meetings relate to departmental meetings, where the exchange of information, communication, and joint decision-making are in the foreground. They are typically closed, but guests are occasionally invited. Most meetings occur weekly in a meeting room. Team meetings with substantial agendas may occur off-site. Work-group meetings involve members of diverse departments with formally defined work-related interests. InsureTech has more than 10 different cross-departmental team meetings every week. Organizational members from various levels may be present, but there is no single reporting relationship. These meetings are planned personal meetings of members of formally defined working groups. They are explicitly intended to accomplish specific organizational purposes. Informal or “timeout meetings” are meetings where the explicit goal is usually not work-related, which can include coffee breaks or ping-pong games. In addition to the meeting formats, a company-wide get-together is held every week. At LegalTech, the meeting is called “Jour Fixe” and at InsureTech “All-Hands.” The company-wide meeting is a regular gathering where companies celebrate people and accomplishments, drive orientation around mission, strategy, and priorities, and provide a forum for answering questions. The total company meetings aim to encourage open dialogues with employees to build trust and foster collaboration in the company.

We started to introduce a Jour Fixe sometime because there was a certain need for information. But now the Jour Fixe has an information overload again (LegalTech, MD/F).
Formalization

LegalTech and InsureTech have different processes and structures, which are strongly pronounced. Although LegalTech and InsureTech intend to introduce as few structures as possible, they are aware that they need formalization to grow and to handle complexity.

This, in consequence, means that internal processes have to be more bureaucratic and standardized in order to reflect this new volume (LegalTech, Business Development, M).

Both companies create processes for scaling their business. The details vary among business models, but formalization aims to increase efficiency of their activities. Above all, it is crucial for the companies to create structures in which employees can work without the management or managers having to interfere. Structures are designed to provide freedom, speed up the work, and grow progressively. The intranets of both companies have many different templates for individual processes.

We’re very organized. I’ve seen the most detailed roadmaps and project plan I’ve ever seen anywhere in this company. We have the most detailed to-do lists, we have the largest reporting, we have more data than anyone else ... which is very cool (InsureTech, CRM, HoD).

The most important aspect of formalization at LegalTech and InsureTech is specific instructions for measures, which are the company-wide goals. The companies define key figures to measure and evaluate the achievement of objectives and the work of their employees. For example, these accomplishments may include customer growth, employee growth, or profit increase. The goals also aim to provide freedom because employees are independently responsible for achieving their goals. The corporate goals are comprehensible because they are developed in two directions. First, the management of LegalTech and InsureTech develop the core objectives to achieve within a period. Second, the team leaders discuss with their employees how they can help achieve the core objectives. Consequently, the organizational members know their goals and how these goals will contribute to success. The management consciously attempts to step back and offer the individual employee the power to work independently.

So, we have our big goal, where we want to go, what our boss and even [managing director] dictates (LegalTech, Marketing, M).
LegalTech defines ‘Key Performance Indicators’ (KPIs) to measure its progress. KPIs are simple and understandable performance indicators. The performance of an organizational unit is measured and presented in the form of a key figure. A unit can be an individual employee, a team, a department, or the entire company. This key figure reveals whether the relevant area fulfills its objective and to what extent it achieves certain goals. The KPIs are specifically tailored to the individual departments. At LegalTech, the managing director works with his ‘Head of s’ (department heads) to develop the KPIs for their area of responsibility. The ‘Head of’ is the name of management team at LegalTech. At the beginning of each year, the department heads determine common key figures, their goals, and how to achieve them. They also define common data to measure key figures (measurement value, measurement method, measurement rhythm). The department heads explain to their teams what the key figures mean and how to reach the goals. In summary, the goals and figures are defined by management and later implemented by the employees.

... we have three overall goals and one is to continue building the brand, one is to optimize the convergence rate and the third ... is to come up with a certain number of cases per month ... These are really some that we really can’t touch, so they are fixed ... (LegalTech, Marketing, M).

In the Legal Team, it’s well measurable because you can look at the numbers, how many e-mails were processed, how many cases were processed (LegalTech, Legal, M).

The KPIs always relate to individual tasks and processes. Employees know their goals and figures and must decide for themselves how and when they will achieve them.

[The managing director told me that] you will also soon have too many projects that you are working to a capacity of up to 120, 150% ... you have to prioritize yourself ... what you can do and what you can accomplish (LegalTech, Business Development, M).

In some parts, the work is defined in such detail that it is precisely measured and controlled.

In such a company, things have to be done and it’s just important that the figures are right in the sense of dropping 100 e-mails or something in an hour (LegalTech, New Venture, HoD).
Empirical Analysis

KPIs are essential at LegalTech. The goals and figures are defined by the management, and organizational members are responsible for researching the objectives. KPIs are established annually and quarterly, and the management presents the progress at the Jour Fixe. In this way, every employee is informed about the status of target achievement.

InsureTech uses Objectives and Key Results (OKR) to measure and evaluate work. OKR is a management method that combines the company’s goals with those of each employee and sets a transparent focus for the next three months. It is a principle similar to KPIs. An OKR consists of an objective that defines a target to be achieved and as many as five key results that measure progress toward the objective. The OKR method includes some rules that help employees set priorities, align themselves, focus, and measure their work outcome. InsureTech explains the reason for using OKR as follows:

*Why OKR?* 1. Empowerment: The goal is defined, not the way. Goals are negotiated but should be ambitious. 2. Alignment and Transparency: Everybody knows what the key goals for the quarter are. 3. Focus on getting things done once OKRs are set (InsureTech, internal documents).

The OKRs are determined quarterly with the management team in a longer meeting. The managing directors lead the meeting and provide a strong direction of the next goals.

... where do we want to go, how do we want to get there? Of course, this is still guided by [managing directors], because they sit down together and structure it a little bit (InsureTech, CRM, HoD).

An objective is a goal that InsureTech wants to achieve. The objective aims are motivating and challenging, but they are mostly not fully achievable. The key results, however, describe concrete, measurable steps on the way to achieving goals. The key results determine how the achievement of objectives is subsequently measured and the achieved result is evaluated. For example, a key result at InsureTech is “create, test, and launch TV commercial” (InsureTech, internal documents). There are maximum of five key results per objective. The goals are treated transparently and are a part of daily systems. They provide a consistent agenda for meetings and the framework for assessing progress and success. Organizational members know what goals the company is pursuing and understand how their performance targets success. They have the freedom, but also the responsibility, to achieve their goals autonomously.
KPIs and OKRs are also used to evaluate employees. At LegalTech and InsureTech, employees and direct managers discuss the measurable goals of their employees and their personal development goals twice a year. In addition to feedback from the supervisor to the employee, employees also have the option of offering feedback to their supervisor. In this way, both sides learn from each other in cooperation and can respond to areas where there is still room for improvement and develop accordingly.

In summary, some forms of control associated with (post-)bureaucracy are also used at LegalTech and InsureTech. They have flat hierarchies, which impose a high level of responsibility on employees. With fewer management-level positions, the flows of information and communication within the companies are straightforward. Formalization is aimed at increasing efficiency so that their business models can be scaled. Goals are the essential control element because they enable performance to be measured, progress to be monitored, and responsibility to be transferred to the individual. Organizational members have their goals in mind and work toward the achievements. They are actively involved in the decision-making process, which aims to increase freedom and responsibility. In the following section, I describe in detail how bureaucratic control aims to control creativity. I divide the results into Management Behavior and Direction and Formalized Instruments.

4.1.1.1 Management Behavior and Direction

*I think we have a lot of creative potentials that are still trickling away somewhere (LegalTech, MD/F).*

*... in every area we have to be more creative ... I don’t know now where we could not be more creative (InsureTech, MD/F).*

Supervisors have a significant influence on the creative behavior of employees. This influence can be both positive and negative. They have the power to pursue their goals and to encourage employees to be creative but can also demotivate employees by their behavior to develop and present ideas. They influence creativity through their leadership and the practice of values. They directly control creativity through commands and indirectly through the freedom and organizational goals.

*In my opinion, this is a management task: To discuss problems in a team and then to pick a top problem, to do a workshop, and to collect ideas with creative methods (InsureTech, Product, HoD).*
Encourage Creativity

Everyone can be creative, but maybe it’s easier for some people and they probably need to be encouraged more … (LegalTech, MD/F).

Leaders at LegalTech and InsureTech encourage creativity by motivating employees to express creative behavior. They accomplish this by allowing direct open communication, providing resources, or facilitating creative times. Indirectly, they influence creativity by considering creative work as essential and providing freedom, transparency, and trust. The managers at LegalTech and InsureTech primarily control indirectly by providing the freedom and responsibility for employees to evolve to display creative behavior. Through cross-departmental meetings or workshops, the managers offer the prospect to collaborate and communicate to be creative.

... I simply demand a lot more personal responsibility and ask questions. Actually, my goal in every conversation is that everyone leaves with more questions than he had before. And I’m very cautious about providing solutions or ideas (InsureTech, MD/F).

The managers transfer the responsibility for creativity to the employees. Organizational members are required to develop ideas on their own. The supervisors know how to ask their employees what type of support they need but also know that setting expectations correctly is essential for their employees to flow effectively through a project.

Discourage Creativity

Supervisors can also reduce creative performance through their behaviors. At LegalTech and InsureTech, the discouragement of creative work is more recognizable than encouragement.

So, it just keeps getting more and more ‘that’s not possible’ or ‘we can’t do that’ ... this restricts creativity many times (LegalTech, Human Resources, M).

For organizational members, it is sometimes unclear when they have the freedom to be creative and when they do not the opportunity for creativity. Supervisors often use the statement “That’s not possible.” Such a statement may demotivate employees to be creative. Many ideas also disappear because they are not sufficiently examined,
evaluated, selected, and advanced. In this sense, executives at LegalTech and InsureTech may block creativity by creating the improper framework conditions, setting strict rules, or demotivating their employees.

It’s always a question of control. Someone who is very skeptical simply wants to keep the situation under control and in many cases, this is also good. When it comes to new ideas ..., you can let go of the reins a little bit ... (InsureTech, CRM, M).

Leaders know that they need to offer employees the opportunity to be creative, but they sometimes subconsciously hinder the creative process. The executives at LegalTech and InsureTech need to know whether the creative activities contribute to the company’s goals, but when they control the creative outcome, it quickly offers the impression that they do not trust their employees’ ability to generate the correct ideas. The unpredictability and incalculability of creative outcomes often cause uncertainty among the managers.

In summary, leaders at LegalTech and InsureTech foster creativity by encouraging and modeling openness, freedom, and trust. Leadership support reinforces the use of creative behaviors. Nevertheless, management behaviors can also lead to disempowered and demotivated members by providing imprecise directions.

4.1.1.2 Formalized Instruments

LegalTech and InsureTech apply formalized instruments that aim to control creative behavior. The organizations rely on ‘continuous improvement’ and ‘systematic problem solving’ for the realization of creativity.

Idea Management

LegalTech and InsureTech have processes for ‘continuous improvements.’ Both companies have idea management software to foster ideation as an everyday practice. InsureTech uses a simple cloud solution to collect ideas, while LegalTech utilizes special software. This software enables employees to post their ideas in a virtual room, where they are evaluated, commented on, and further developed by colleagues. Each participant can edit the proposal of a colleague.
We have considered ... how can we start a process [for creativity]. And I’ve agreed to think about it. ... It was, on the one hand, continuous improvement, for example, small improvement, and it was [also] the idea of the great innovations (LegalTech, IT, M).

LegalTech uses the Kindling App software as an idea management and collaboration tool, which is widely used by teams to discuss ideas, solve problems, and discover and pursue opportunities. All participants are expected to share their ideas with the company. At LegalTech, the posted ideas refer to product innovations or simply ideas for the next Christmas party. Since its launch in 2015, 295 ideas have been posted on the idea platform. On average, one idea is posted, commented on, and evaluated every day. There is also a mobile application that many employees have installed on their personal smartphones. Interestingly, the most ideas are posted after work hours. When I talked to organizational members about the platform, they were not satisfied how, when, and which ideas are posted.

Our idea platform is like a dead horse. It just doesn’t work (LegalTech, Human Resources, M).

The topic [idea platform] has never really got to the point of satisfaction. It didn’t really become embedded in the DNA here. There is always a lot of pressure necessary for something to happen and then there is also relatively little happening (LegalTech, IT, M).

LegalTech is not pleased with the number of ideas or the responsibility to pursue ideas further. Employees are expected to post and evaluate ideas independently and to seize the resources to implement them. In order to increase the quantity of ideas, LegalTech also uses gamification. Gamification is the use of game mechanisms and game dynamics in non-gaming contexts (see e.g., Agogué, Levillain and Hooge, 2015). The company utilizes game principles such as points and rankings to motivate employees and encourage creativity. The individual departments compete against each other and share as many ideas as possible on the platform. At the Jour Fixe, the scores are compared and the department with the most points receives a prize. In most cases, it is a bottle of an alcoholic drink. InsureTech also publishes the ideas in its cloud solution but does not present them at its All-hands meeting. Both companies assume that the posting of ideas on the platforms needs to be done ‘on the side.’ Perhaps that is why many ideas are posted at LegalTech only after work. LegalTech recognizes this problem and considers whether the idea management should be given more prominence.
Maybe we need to give the topic even more importance and expect everyone to do one hour of [idea platform] a week (LegalTech, MD/F).

In addition, when employees post ideas, they are in charge of the ideas and responsible for implementing them. Employees must consider beforehand what ideas they are posting and whether the resources are available.

**Creativity Workshops**

I view workshops specifically designed for creativity as a bureaucratic control approach because the workshops are orchestrated work units proposed to create an atmosphere in which participants are obligated to be creative. Work units can consist of only organizational members from individual departments or can be composed of different affiliations for the specific circumstance.

[Organizational members] just have to be torn out of their work. They just can’t sit at their workplace. They have to be locked up in a room for a workshop and take the time for creativity (LegalTech, IT, M).

LegalTech and InsureTech each conduct an average of 20 creativity workshops per year. Furthermore, the companies attempt to schedule spontaneous moments of creativity in the form of ‘brainstorming’ sessions, which are held in meeting rooms or at off-site retreats. These moments are designed to free organizational members from the demands of their daily work environment for a few hours or days in order to focus on generating creative solutions to specific problems, future products and services, new business models or actions to increase productivity. Creativity techniques are used during these workshops to stimulate the generation of new ideas, and sometimes external experts moderate these workshops.

... That’s actually what we do every year, that we do a creativity workshop. You can see that there are a lot of people who are really creative and have really good ideas ... (InsureTech, CRM, M).

For example, LegalTech holds its ‘SummerWorkshop’ every year for creativity and fun. In addition, the individual departments of both companies conduct different creativity workshops as needed. They hold the workshops either in the office or in a room off-site. Sometimes cross-departmental workshops also occur, with the aim to be creative with different perspectives.
... then we always had a workshop outside, in a shared office space. We were much more creative because we had a few games of relaxation ... This has boosted creativity (LegalTech, Marketing, M).

In this sense, the workshops also aim to have fun and foster an atmosphere of ease. In return for collecting my data from both companies, I was asked to hold creative workshops. I held two workshops at LegalTech and three at InsureTech. At InsureTech in particular, I had an interesting experience when I planned the large creativity workshop. This example reveals how managers can discourage creativity. The managing director demanded that the participants not spend too much time with the creativity workshop. When I discussed the setting for the workshops, he calculated that if eight employees participated in the workshop, the company needed to invest eight-person days. Thus, the output must be equivalent to eight-person days. I was asked to hold the workshops outside of working hours. I booked a meeting room at 6:30 p.m. and invited employees by e-mail to the ‘creativity session.’ Although 14 employees were registered, only seven attended. The workshop started well and everyone was motivated, but after about 30 minutes, I aborted the workshop because they were frustrated and told me that they hardly have the time to develop and implement ideas. The participants asked me if I had a model or approach about how to be creative in everyday work. Some employees also told me that the company is too number-driven to have the option to be creative. In this sense, InsureTech views creativity as a sideline activity. I held the other two workshops at InsureTech during a regular meeting. As a result, the workshops were short, but they did not have to occur outside working hours. At LegalTech, I was also able to hold larger workshops during the day.

For the daily generation of ideas, the companies use an idea platform, and for special circumstances, they hold special creativity workshops. However, these methods do not lead to the results desired by the companies and its employees. The employees want a better structure for creativity.

I would like to see better structure, coupled with the freedom and trust to solve problems in the teams (LegalTech, IT, M).

Interestingly, the management observes a similar barrier and demands more structure, but this, in turn, requires more commitment.
For me, the still somewhat lacking structure and commitment are actually more of a barrier on the way to becoming more innovative (LegalTech, Human Resources and Sales, HoD).

Both companies utilize instruments for systematic control of creativity. These processes lead only to a certain degree to creativity, and the need for improved methods arises. LegalTech and InsureTech control through goals to increase commitment.

Measuring Creativity

Sometimes, creativity is defined as a direct and measurable goal (numbers of ideas at the idea platform), but in most situations, creativity is viewed as a prerequisite to achieving corporate objectives. The employees know exactly what their goals are and have the freedom to decide how to achieve them. Organizational members are responsible for deciding how to achieve the goals, whether the unambiguous measurable work comes before the creative work. LegalTech and InsureTech support ‘be creative,’ but this objective is mostly not measured and evaluated.

LegalTech and InsureTech have not defined creativity and how to measure and evaluate creative work. Therefore, organizational members need their own definition of creativity and how to act according to their perception.

... creativity and ideas are so hard to measure. Well, one of them just says that’s the killer idea and the next one might find it c---. And who then evaluates which bonus you get. That’s a hell of a thing (InsureTech, Human Resources, M).

Organizational members are aware that they need to be creative, but they also know that their creative performance is not measured and perhaps valued in the same way as measurable activities. Their performance is evaluated within key figures, which influence the bonus of the organizational members. LegalTech and InsureTech do not integrate creativity into the key figures but offer employees the freedom to decide for themselves how they are creative.

... I can’t force [creativity] but, so to speak, artificially ... ‘I expect you to come up with five ideas for improvement this quarter.’ Then I’ll torture it out of my ribs ... but it’s not intrinsic. And therefore, I’d rather give freedom ... (LegalTech, Human Resources and Sales, HoD).
Thus, freedom becomes the solution for achieving creativity. Employees are responsible for being creative to contribute positively to the company’s goals.

In summary, LegalTech and InsureTech seek to use a bureaucratic framework to control creativity. The companies attempt to rationalize creative work through idea management and workshops. However, the control mechanism fails to produce the desired results because the required resources are barely available to the employees. As a solution to this dilemma, the companies aim to provide freedom and transfer responsibility for being creative. Corporate goals are the most important control element of both companies to transfer ownership and commitment. Creativity, on the one hand, is viewed as a tool to achieve these goals and, on the other hand, proclaimed as a direct goal. Key figures determine the work of the employees, and they must decide for themselves which task has higher priority.

4.1.2 Normative Control

The second, but perhaps more significant element of the system of control, is normative control. Normative controls govern employee and managerial behavior through generally accepted patterns of action (Kunda, 1992; Willmott, 1993; Kärreman and Alvesson, 2004). Normative control influences the arrangements of how specific behaviors are appropriate and others are less appropriate. The employees are guided by an internalized system of values that reflect certain attitudes and preferences of the organizations. A central form is an organizational culture, which is defined as a set of values, symbols, and rituals. With normative control, members are not guided by detailed instructions; instead, they control themselves because they have internalized the core concept of the organization. Normative control also has a significant effect on creativity. In this section, I reveal how the organizations utilize normative control to control creativity. In the first step, I introduce normative control based on Corporate Culture and Communication and Transparency in a general organizational perspective, which is the basis for analyzing Hiring People Who Fit into the Culture, Culture of Openness, and Identification with Values with respect to creativity.

Corporate Culture

The atmosphere is ... very open. Very autonomous working. Very supportive, likeable, more friends than colleagues (LegalTech, IT, M).
Corporate cultures of LegalTech and InsureTech seek to create authentic environments to offer organizational members a certain degree of freedom and, at the same time, a sense of community and meaning. The companies facilitate a corporate culture in which norms, values, and beliefs are shared among organizational members that the work is important, and teamwork and collaboration are common. Organizational members of both companies often describe themselves as ‘one’ or ‘we’ in sharing the same values and goals but within the expression of authentic self. “A one team-feeling across all levels” (InsureTech, website). The cultures are based on different aspects, and the missions define their identity and serve as a basis for the values. LegalTech’s mission is to be the “Robin Hood of legal technology” (LegalTech, internal documents), and in this sense, they fight for customers against large companies.

*It’s quite specific for our culture that we call ourselves ‘legal Robin Hood’ with a twinkle in the eye (LegalTech, Human Resources, M).*

Following the Robin Hood theme, the corporate color of LegalTech is green. The color is everywhere in the office. Walls and desks are green, and some organizational members wear green shoes and green t-shirts and drink coffee from green cups. They carry green journals and write in them with corporate pens. InsureTech’s color is blue, and that color can be found everywhere. The company describes its mission as “We change insurance with the power of friendship” (InsureTech, website). The company views customers and colleagues as friends. These missions serve as lighthouses and are applied to the corporate values. LegalTech and InsureTech confirm to me that they have unique cultures, but interestingly, both companies have defined similar corporate values. Both cultures represent openness, allowing employees to have fun and to work in a way that characterize their individuality. Table 4–2 compares the individual values of the two companies.

<table>
<thead>
<tr>
<th>LegalTech</th>
<th>InsureTech</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Customer first</td>
<td>1. Ambition</td>
</tr>
<tr>
<td>2. Getting things done</td>
<td>2. Reliability</td>
</tr>
<tr>
<td>3. Improve permanently</td>
<td>3. Knowledge Hunger</td>
</tr>
<tr>
<td>4. Live Teamwork</td>
<td>4. Team play</td>
</tr>
<tr>
<td>5. Think big &amp; out of the box</td>
<td>5. Creative</td>
</tr>
<tr>
<td>6. Show respect</td>
<td>6. Open &amp; Positive</td>
</tr>
<tr>
<td>7. Take the initiative and opportunities</td>
<td>7. Humor</td>
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[Such a culture] I have never really seen before, not even in any other company. This is truly a unique culture that exists here (LegalTech, Legal, M).

In particular, the values of reliability, improvement, creativity, teamwork, and respect are defined in both companies. LegalTech developed its values during its regular SummerWorkshop in 2014. During different workshops, LegalTech developed and discussed various values and established seven core values. After determining the core values, the employees were asked to symbolize each value as a photo. For example, the photo of the value of teamwork depicts employees standing in a circle and holding each other’s hands. These seven photos, representing the values of the organization, hang in a large format in the office. Additionally, the photos are stored in a ‘culture book’ with the description of each value and why these values are so important for LegalTech. Every new employee receives the photo book as a welcome gift. The culture book is a document that systemizes LegalTech’s language and shared values and beliefs. The following is an excerpt from this book:

The culture is one of our greatest strengths. We believe that if we get the culture right, many other important things will happen naturally – such as making the customers happy. We value the fact that the people behind the [LegalTech] brand are the ones that make the difference. At [LegalTech] we believe that it is not only important what we achieve but also how we act in the process … These values are not a static element written in stone but are adjustable guidelines in the living and breathing process on our way to become the best in what we do (LegalTech, internal document).

At InsureTech, the founders defined the corporate values in its early days. New employees receive a value book, sweets, and a bag during onboarding. The bag has the inscription “Baaam.” Baaam represents the power to get things done.

We always do this [Baaam] at the end of an all-hands meeting. Baaam all together and then arms up … I find that motivating (InsureTech, Human Resources, M).

The values are also evidently present in the office at InsureTech. For example, some rooms are named after a corporate value and a matching animal. These are the names of the rooms: “Butterfly / Ambition,” “Dog / Open & Positive,” “Meerkats / Team play,” “Paradise Birds / Creative,” “Parrot / Knowledge Hunger,” “Penguins / Reliability,” and “Pony / Humor.” At both companies, members unambiguously view the corporate values
every day at the office. The corporate values are also used in recruiting as a selection and hiring criterion, starting with job advertisements and extending to interviews based on concrete criteria and to a basis for employee evaluation. Thus, LegalTech and InsureTech employees are evaluated according to the same criteria by which they were hired. LegalTech regularly evaluates its employees by a tool known as “Small Improvement,” which occurs every six months. “Small Improvement will help you to prepare your feedback talk. It gives you the opportunity to reflect your work and how well you have been living the company values” (LegalTech, internal document). As this tool is a formulized instrument, it can also be subject to bureaucratic control. This example reveals that the different forms of control are also connected.

New employees are also introduced to the company’s values at LegalTech and InsureTech through an internal newsletter. For example, new employees at InsureTech answer the question: “What does ‘Knowledge Hunger’ mean for you?” In this sense, values form the groundwork for the corporate cultures and the collaboration and image of the company both internally and externally.

A significant artifact of companies’ cultures are their offices, which are expected to reflect their values but also openness and transparency. According to the cliché, foosball and ping-pong tables are available in every start-up office, and the same applies to these offices. The offices impress with their beautifully designed rooms, and there are comfortable seating options, such as sofas or cushions, everywhere. The offices look more like stylish furnished lofts than regular workplaces. The work environments are said to reflect the openness, informality, fun, and creativity prescribed by the culture. ‘Open office space’ is strictly enforced at LegalTech and InsureTech. That office approach is designed to maximize communication, collaboration, and face-to-face work while minimizing status differences.

*In fact, openness, I would say, is a very important point for us ... I think our office ... already reflects much of what we have (InsureTech, Human Resources, M).*

LegalTech has two separate offices, one main office and another for the IT and marketing team, which is located in the immediate vicinity. Both buildings have only open-plan offices, which are divided into departments. The largest office accommodates the IT team. There are two meeting rooms and two small rooms for telephone calls. The main office has two ping-pong tables, a chill area, and a large kitchen. The office of the
IT and marketing team has a living room with a flat-screen television, a foosball table, and a games console. InsureTech’s entire office is located on a single floor with a variety of open spaces. Its office is also divided into departments, and the largest open-plan office is occupied by the IT team with 36 desks. There is one ping-pong table, a foosball table, a chill area, a large kitchen, and five meeting rooms.

At LegalTech and InsureTech, each desk is equipped with a large computer screen, keyboard, mouse, and dock station for a notebook. The employees do not have a fixed workspace and can sit at any free desk within their department. In this way, flexibility and mobility of employees are required. Employees often respect symbols of privacy, and they pretend to ignore private conversations. Both companies have ‘telephone boxes’ to make phone calls in a calm atmosphere. Since the boxes are soundproof, they are also frequently used for conversations and meetings. The management boards have their own offices. Managing directors might have their own offices, but all doors have glass panels or are open at all times. Managing directors are more mobile and less available, although their assistants are always around. LegalTech and InsureTech have a large kitchen, which is also used as a meeting place for various gatherings. For example, the companies hold their Jour Fixe or All-hands meetings in the kitchen, as this room offers the largest space for all members to gather. Informal conversations between employees also occur in the kitchen. It is humming at lunchtime as members congregate around the tables. The lunch break is also used for leisure activities, with outdoors enthusiasts, runners, and ping-pong players particularly noticeable. A more private lunch break may always be found away from the office. Formal and informal interactions occur in restaurants and bars close to the offices. At the end of the workday, there are many used cups, plates, and glasses in the kitchen, and it looks more like a shared apartment than an office. LegalTech and InsureTech have meeting rooms with different names that are usually colorfully painted. Interestingly, both have a so-called creative space. At LegalTech, the creative space is a blue room with writable walls, a sofa, and a drum set, which the managing director brought with him. The creative space of InsureTech is equipped with a standing table and writable walls. The writable walls are mostly covered with the visible output of thought processes. The value of customer focus is also reflected in the office concept of both companies. LegalTech especially recognizes the customer focus with a large screen displaying the latest customer ratings at the entrance of the office for employees to pass before reaching their workplaces.
For legal reasons, no photos can be included, but figures 4–3, 4–4, and 4–5 (pp. 111–112) illustrate the floor plans of the companies’ offices with positions of the individual elements.

![Floor Plan of LegalTech’s Main Office](image1)

**Figure 4–3:** Floor Plan of LegalTech’s Main Office. Own figure.

![Floor Plan of LegalTech’s IT and Marketing Office](image2)

**Figure 4–4:** Floor Plan of LegalTech’s IT and Marketing Office. Own figure.
On a typical day, most organizational members arrive at 10 a.m. and some leave at 5 p.m. In the morning, they choose an available desk in open-plan offices within their department and attach to the dock station, often with noise-canceling headphones to filter the unending background noise and prevent the interruptions that are inevitable in a space designed for openness and communication. During the lunch break, employees play ping-pong or go to a nearby restaurant. In the afternoon, employees often meet in the kitchen for conversation and coffee. Every employee works on a computer, which provides a constant background noise of high-tech work: quiet humming and spurts of keyboard squeaks combined with sounds of arriving and departing e-mail, conversations, and laughter.

*When I tell friends what I am doing here and how it is like, with this open-plan office, and everything is open, and no one works here for half an hour concentrated on a task, but people come in all the time and want something else, and we also interrupt each other uninterruptedly ... they throw their hands up in horror: ‘God’s will, that’s the horror,’ and I just say ‘that’s great’ (LegalTech, Human Resources, I).*

The office and the associated way of working are not only consciously designed by the management but is also well received by the employees. Although they use
headphones to restore a little calm and concentration, it seems that they enjoy the open and relaxed atmosphere that encourages communication.

**Communication and Transparency**

*What is important to me and has succeeded is an open corporate culture*  
*(InsureTech, MD/F).*

The physical space also helps to facilitate open communication and transparency. Considering there are hardly any doors or private areas at the offices, the organizational members speak immediately when they want to start a conversation with their colleagues. This enables direct communication. Apart from management having its own office, which is usually open, there is an open and collegial relationship at all levels. At InsureTech, I have sat in the managing office and was surprised how often employees come to the office and start conversations. The conversations are always relaxed and direct and offer the impression that the managing directors always listen. Such open communication seeks to improve general openness and bring better cooperation.

Open communication begins with the approach in which employees speak to each other. The communication between organizational members is informal, and people address each other by their first names.

*In any case, it is a very open and relaxed culture. It has already started with the basics, that all ‘Duzen’ [to be on a first-name basis] and the feedback can be expressed openly. And that we don’t have to drag things around until the next feedback interview in 365 days, but rather when I have something that bothers me in the morning that I can address it straight away …*  
*(LegalTech, Human Resources, M).*

A sense of equality and openness is promoted by individuals noticing how they communicate openly with one another.

*We can honestly say our opinion, and I think we have great teamwork. If there is anything that bothers me, I talk about it and I have the feeling that it understood immediately*  
*(LegalTech, Finance, M).*

The open communication within the companies is intended to circulate information that is relevant for all or some of the employees. There is formal and informal information
transfer. Formal internal communication is maintained through specific communication tools and channels. For example, formal information occurs at company-wide meetings. Informal conversation, on the other hand, covers information that is transferred in such ways as rumors. Informal communication may occur in the kitchen or during lunch breaks. In addition to one-way information, dialogue is also essential for open communication. In this context, employees not only receive information passively but also react to communicated content. By informing organizational members about relevant topics of their work, the position of the company, and possible strategic decisions, a strong emotional bond is created. The employees feel well informed and can react to changes on their own. They are integrated in decision-making processes and feel that they are a vital, fixed part of a system that would be difficult to manage without them.

Electronic systems are another space that offers an instant communication link between employees. LegalTech and InsureTech both have different web-based tools for their internal communications. The organizational members have their own e-mail account. In addition, both companies have a chat program for faster communication between employees. Employees use the chat program to request short messages about project statuses, to arrange lunch, or just to send funny GIF (Graphics Interchange Format) files. A GIF file is an image that is frequently animated, and usually the animation repeats itself after a few seconds. LegalTech and InsureTech use Gmail for the mail transfer and Slack for chatting. I also received an e-mail address and access to the chat program to participate in internal communications. During the workday, the mail and chat programs are always on, and most organizational members have installed their company e-mail address and chat program on their personal mobile phones in order to participate in internal communication outside the workplace. Both companies also have other communication tools. LegalTech and InsureTech use an intranet for files and project reports, internal newsletters for various announcements, and wiki (a simple web-based content management system) for knowledge transfer, and tools for onboarding of new employees and staff feedback. Interestingly, all company-relevant files and information are freely accessible to all employees. Because I signed a non-disclosure agreement, I also had access to all the information and am surprised about the transparency. For example, every organizational member has access to company-relevant information, such as sales and growth figures. Only certain personal data are not openly accessible.

In summary, normative control is implemented most strongly by the organizational culture. The corporate cultures at LegalTech and InsureTech are reciprocal. The cultures shape the behavior of its members, and the cultures are also produced, defined, and
communicated by the employees through their behavior and habits. Thus, the actions of an organization member are culturally influenced, and they impact the cultures. LegalTech and InsureTech have cultures with open communication and transparency. The corporate values serve as the basis for recruiting, behavioral guidance, and performance feedback. Furthermore, their offices reflect the corporate values according to openness, fun, and creativity. At LegalTech and InsureTech, employees are not only provided with information, but they also collect it proactively. In the following section, I describe in detail how normative control aims to manage creative behavior. I divide the connections into *Hiring People Who Fit into the Culture*, *Culture of Openness*, and *Identification with Values*.

4.1.2.1 Hiring People Who Fit into the Culture

In the search for the right candidate for a vacant position, LegalTech and InsureTech often determine the final selection decision for or against a candidate not primarily based on the candidate’s professional competence or knowledge, but mostly on the prediction of how well the candidate is likely to fit into the companies. Particular care is taken to ensure that creative people are recruited.

*Creative Candidates*

... to make sure that people are problem solvers right from the beginning in the hiring process and that they enjoy doing so (LegalTech, Human Resources and Sales, HoD).

I must admit that creativity is always a desired factor in recruiting ... (InsureTech, MD/F).

As mentioned before, LegalTech and InsureTech use their corporate values as a selection and recruitment parameter to hire the right candidates. The recruitment processes are meticulous at the companies. The future employees pass different interview phases in which they meet organizational members from diverse hierarchy levels. During the interviews, organizational members ask candidates questions specifically focused on creativity. For example, candidates are asked the following questions: “Would you consider yourself as a creative person?”, “How important is creative work to you?”, or “How would you solve the following problem ...?” (LegalTech, internal documents). InsureTech uses similar questions. For example, “What are your most important hobbies outside work? What do you enjoy?”, “Tell me about a time when you took the initiative
and creatively solved a problem at work,” or “Tell me about a time when you took a risk that failed” (InsureTech, internal documents). The aim of such recruiting procedures is to increase the degree of probability that candidates are creative and act accordingly later.

In any case, HR plays a major role in determining ... what kind of employees you hire. Do they already have this creative mindset? Will they support this culturally? This is definitely an important aspect to ensure that this culture remains so (LegalTech, Business Development, HoD).

So, in our product team ... we have intentionally hired creative people (InsureTech, Product, HoD).

The ambitious recruiting process aims to integrate creative people into the existing culture. Interestingly, if employees do not display creative behavior in the later course of their career, recruiting is cited as the reason.

I think in some areas we have already lost focus over time a little bit and I think that, so for me this is an example of the customer service team. We haven’t looked at the cultural fit for a long time ... And that is what I perceive as being the area which, so to speak, is least innovative, where it is probably the most important thing to do to motivate all of them to contribute their ideas and to remain agile ... (LegalTech, Human Resources and Sales, HoD).

Team Harmony for Creativity

In addition to the plan of hiring creative people, care is also taken to ensure harmony between creative employees.

I find it very, very fascinating how the employees are selected here. And I always have the feeling that everything always harmonizes very, very well. And because you don’t have to work with people who don’t want to work here. But everyone I’ve worked with now, who I know the way they work, I appreciate that they are interested in working (InsureTech, Communication, M).

It is important to the companies that everyone understands each other well so that smooth work is guaranteed. Interpersonal relationships are important at work. Harmony
and positive relationships within teams or organizations seek to optimize communication, collaboration, teamwork, and creativity.

*This is important to me personally when I can be creative with people who somehow fit well together (InsureTech, Human Resources, M).*

For example, LegalTech offers the new employees lunch vouchers to ensure that new employees get along with their colleagues from the beginning. This program is called “Get-together-Lunch.” Each new employee receives three meal vouchers, which can be redeemed at any restaurant near the office. With the vouchers, the new employee invites different fellow members to meet and mingle. Some employees perceive that inviting strangers to dinner may feel uncomfortable.

*This is great. But you feel a little weird when you’re supposed to invite a stranger to lunch. I hardly know anyone here (LegalTech, Human Resources, I).*

LegalTech takes another approach to ensure that its employees are in harmony. LegalTech has a “Referral Bonus Program” for employees to bring friends or acquaintances to the company.

*It is always great to hire by referral, because [LegalTech knows] what kind of people [LegalTech] is looking for as a company. To reward you for your efforts in bringing new talents on board we developed the referral bonus program. (250 € for non-permanent staff and 500 € for permanent staff) (LegalTech, internal documents).*

All these precautions serve to hire the right and creative people who can work well together.

*I think you can ensure creativity ... simply by employing the right people ... which will then attract the right people again ... (InsureTech, MD/F).*

“Attract the right people” might mean young people with little professional experience. Organizational members of LegalTech and InsureTech are mostly young, directly from the university, inexperienced, critical of traditional companies, and internationally positioned. The workforce includes such nationalities as German, Australian, Dutch, Brazilian, and Polish. The young employees at LegalTech and InsureTech find the corporate cultures attractive because they have the image of fun and unusual environments.
It’s really cool that everyone here is so young. It’s just more fun working with people of the same age (InsureTech, CRM, M).

In summary, both companies are deliberately employing young people, as they can be integrated into the existing culture much more smoothly. It is significant for both companies to employ creative people who work well together.

4.1.2.2 Culture of Openness

Within the normative control, open communication of ideas is another central control approach for creativity. LegalTech and InsureTech maintain a culture of openness, which allows employees to address problems directly and exchange ideas. The open cultures lead to spontaneous conversation and collaboration, where people communicate well, are open to new ideas, challenge each other constructively, trust each other, and feel committed to work. In this sense, open communication and trust support employees to share their creative outcomes.

Open Communication of Problems

LegalTech and InsureTech encourage transparency, which helps to build interpersonal trust between employees, regardless of position. Organizational members are enabled to ask questions in open and honest ways to nurture a mutual understanding and encourage more people to identify problems, share ideas, and collaborate with each other. Managers of both companies convey through their actions and words their values of sharing ideas and openly debating problems. In this sense, the managers are serving as role models for open communication.

What did my girlfriend say the other day? ‘There’s a rough tone here.’ Then I told her you confused rough with honest and open … [We’d] rather say, ‘this is going to suck, or we have a huge problem here and let’s solve it,’ and not show how awesome we are … (InsureTech, MD/F).

The open and honest tone means that employees can express themselves authentically and can address problems. When employees have the feeling of being able to communicate openly, this tends to increase trust.

The openness and the trust are with [the managing director] in any case (InsureTech, Communication, M).
The open communication is intended for all hierarchy levels and all directions. The hierarchy levels do not constitute a barrier for identifying problems. The communication between colleagues, superiors, and subordinates is honest, and the still-existing hierarchical relationships are culturally downplayed.

Open for Ideas

The open culture allows companies not only to address problems but also to provide individuals the opportunity to present and openly discuss ideas of all types.

*If I express an idea, it is positively perceived, and it will be accepted immediately (InsureTech, Performance Marketing, M).*

*... everyone is allowed to contribute ideas, and if they are bigger ideas, for example, if they have a bigger follow-up or lead to a radical change, then a little discussion is necessary (LegalTech, IT, TL).*

Due to the culture of openness, organizational members feel comfortable presenting their ideas. The management approves the presentation and thus encourages creative behavior. Ideas are also disguised. For example, if employees firmly believe in their idea, their superiors can be convinced to pursue the idea further. The exchange of ideas occurs not only in meetings or scheduled times but also within the workplace, at the ping-pong table, or in the kitchen.

In summary, LegalTech and InsureTech seek to provide a culture of openness, where problems are addressed and ideas are openly shared. As the offices are openly designed, the employees are in constant communication with each other and directly share ideas.

4.1.2.3 Identification with Values

*Well, if I have an idea, it’s mostly because I want to move the company forward because I identify with it (LegalTech, Marketing, M).*

Identity regulation is a central control instrument within normative control. LegalTech and InsureTech seek to control creativity through identity regulation. Identification with the company is usually so high that employees speak only of ‘we’ instead of the company name. They feel that they are part of the company.
I almost see it as my company from the very beginning … (LegalTech, Legal, M).

A strong identification with the company values is desired at LegalTech and InsureTech. The basic assumption is that everyone must adhere to the values, and if someone does not, colleagues will notice the misconduct, which can even lead to dismissal.

... if the team complains that they’re carrying a loser, that’s cool (InsureTech, MD/F).

... if someone doesn’t behave according to the values, we fire him, even if it delays a project for four months (LegalTech, MD/F).

Such actions reveal that organizational members are expected to behave in accordance with the values. The identification creates a sense of cohesion among the employees, and since creativity is defined as one value at LegalTech and InsureTech, the organizational members also identify with this value and act accordingly.

**Value for Creativity**

At LegalTech, the value that represents creative work is named “Think big & out of the box,” and at InsureTech, this value simply refers to “Creative.” Creativity is, therefore, a value that, according to individual and company assessments, is considered desirable, positive, useful, and supportive. The value of creativity implies the attitude to always look for new solutions that improve the current situation. In particular, “thinking outside the box” indicates to think of new ideas instead of traditional or expected ideas. LegalTech describes “thinking outside the box” in its culture book as follows:

Thinking big helps us grow as a team and as a company. It’s about never being limited by what we know to be true and never accepting traditional methods of doing things. So, when we work, we set big audacious goals and constantly ask ourselves: Can we imagine a better solution? (LegalTech, internal documents).

The company describes the value on their website as follows: “To change an entire industry you need to think in innovations. We set big and audacious goals for ourselves and try the impossible to achieve the possible” (LegalTech, website). The value is aimed at ensuring that every employee should be creative in order to develop innovations.
InsureTech simply affirms with the value “be creative.” The employees do not regard the value as something abstract, but rather as an invitation, which influences their way of working. Norms, such as workshops, or artifacts, such as creative spaces, reinforce identification with the value. Therefore, new creation is a matter of course for the organizational members.

... it is our identity that we are still doing something new, not an established model that is now only managed ... Yes, start something new, build something new (InsureTech, MD/F).

LegalTech and InsureTech attach essential value to creativity through the use of resources, tools, and artifacts, so that its members also feel committed to this value.

The company values are inspiring and creativity-promoting and are still very much in action (LegalTech, Marketing, M).

Basic Assumption on Creativity

By identifying with the values, there is a basic assumption that everyone is expected to be creative and is creative. Basic assumptions are the core of the culture and involve taken-for-granted beliefs about the environment, time, and people’s relationships to each other. Organizational members of LegalTech and InsureTech know that creativity is significant for their daily work. Therefore, employees also assume that everyone is able to do creative work.

A basic creativity is ... given to all. I believe ... you can go to many of them, and they definitely have the ability to put such an abstraction into it. This is probably one of the most important things ... you should bring along as an employee (InsureTech, CRM, M).

Interestingly, InsureTech always perceives that all employees are creative, whereby LegalTech often distinguishes who is creative and who is not.

It is also the mindset of the employees, not everyone is creative, not everyone wants to solve a problem. Some people want to spend their time here and just press a button, and it doesn’t matter if that’s good or bad (LegalTech, Human Resources and Sales, HoD).
This statement comes from an executive with a criticism that the employees are not sufficiently creative. The employees are expected not only to accomplish their daily tasks but also to be creative in order to contribute a positive amount. In short, a basic assumption exists that, on the one hand, members are creative or not creative enough, and, on the other hand, that creativity is required for their daily work.

In summary, organizational members identify themselves with the company so strongly that they view its values as their own. They also perceive the value of creativity as their own and act accordingly. They view it as essential to be creative or even to be more creative. Taken together, the commitment to creativity is achieved through various cultural elements. It starts with the selection of sufficient creative personalities, passes open and transparent space and rooms for communication and work, and up to the identification of corporate values.

4.1.3 Market Forces

The third element of the system of control is market forces. By letting decisions emerge from the interaction of the organization and the market, the market takes over part of the control of the organizational members. Instead of delegating power within a hierarchical structure or guiding by values, the organizations arrange more formal labor markets within their walls in order to reflect market dynamics (Kunda and Ailon-Souday, 2005). Market forces guide organizational members by being in constant dialogue with customers, markets, and investors. In this context, market forces have a significant effect on creative work. It is an indirect way of controlling creativity because the organizations do not use ‘command-and-control’ but instead tight market relations determine the creative task. In a first step, I introduce market forces based on Customer Focus and External Pressure in a general organizational context. In the following step, I reveal how market forces, as expressed in Customer Expectations and Feedback and Competitors and Investors Pressure, influence creative behavior.

Customer Focus

LegalTech and InsureTech have a strong customer-centric approach. LegalTech describes its approach as follows:
Ask ‘What’s in it for the customer?’ and make the voice of the customer heard. Be the experienced and professional older brother to our customers. Give professional guidance and be confident in our abilities. Our service is worth the price as we walk the extra mile. Creatively combat unfair treatment of consumers (LegalTech, website).

InsureTech also claims its customer focus on its website:

*Every innovation should consider customer needs. That is why we have committed ourselves to the following approach: 1) Customer orientation: Our work focuses on our customers and their needs. 2) Innovation: Innovation stands for our claim to always produce the best insurance solutions. 3) Fairness: We want to ensure that no one has to pay more than necessary and that everyone involved benefits. 4) User friendliness: We make all processes as simple, comprehensible and transparent as possible (InsureTech, website).*

In this sense, LegalTech and InsureTech focus on customers and their needs, and the work is influenced in such a way that customers decide whether the company’s product or service matches their needs.

*Customer focus is a subject that is relatively strong here compared to other companies ... no matter what I do, I focus on the customer or the customer experience (LegalTech, Human Resources and Sales, HoD).*

The organizational members of both companies feel very close to the customers and are thus motivated to contribute to fulfill the customers’ needs. They perceive a sense of their work because they view it as their task to help the customer.

*You don’t just sell any c--- ... but you can really help customers. You don’t take the money out of their pockets, but you help them to make more money, and I think that’s super rare, that you can do something like this (LegalTech, Finance, HoD).*

*The cherry on the job cake is when you endorse what the company does ... This is also essential to me. [InsureTech]’s pioneering approach to the insurance sector is something I’m proud to work for ... I’m glad to be part of this movement (InsureTech, Communication, M).*
The customer focus is also transmitted to the outside world, and therefore visible in the external perception. Customer platforms rate LegalTech and InsureTech, which they display on their websites. InsureTech is evaluated by the TrustedShops and LegalTech is rated by TrustPilot. TrustedShops and TrustPilot are independent online valuation service providers that help companies to generate and manage transaction-related valuations. Both companies are rated with the highest-possible certificates.

*I must say it was a little skeptical in the beginning, but this is the best choice I’ve made. Super easy and quick. Great communication services and completely trustable. I will definitely use these services again! Absolutely recommended (TrustPilot, LegalTech review).*

*I am only a recent customer but I am very positively surprised about the service and handling (TrustedShops, InsureTech review).*

Moreover, in the entrance area of LegalTech there is a large screen with the latest TrustPilot reviews. In this sense, at the beginning of a workday, the organizational members see the evaluations and read the feedback of the customers. Every morning the HR department selects the latest and best ratings to display on the screen. One day, I was able to follow a conversation between the HR manager and an employee:

*Employee: Why are there never bad ratings to be seen? We get bad reviews sometimes, don’t we? We want to improve ourselves!*

*HR Manager: Yes, but that’s not really motivating. If you want to read negative reviews, you can go to TrustPilot (laughing) (LegalTech, extract from field diary).*

The customer-focused approach follows two goals. On the one hand, both companies aim to meet the needs of their customers with their products and constantly adapt to them, and, on the other hand, the companies want to motivate employees to find meaning in their tasks. LegalTech and InsureTech describe themselves as ‘user-driven companies.’ They pursue the ‘Lean Start-up’ approach (see Ries 2012), which means LegalTech and InsureTech analyze the problems and needs of potential customers before starting product development. This approach determines whether there will be customers for the product or service. The focus therefore is initially on the problem of the customer and not directly on the solution. After development, both companies constantly test their solutions with users. This process not only simplifies and encourages experimentation, but it is also the
basic principle of the companies. Testing aims to increase speed. It is precisely this constant testing that ultimately creates a product or service that is closer to the customer’s needs.

... to first look at users, make user tests, see how users react to it ...
(InsureTech, Product, M).

I was often involved in user tests as a support at InsureTech. Every day, customers or potential customers come to the company to test the latest product innovations. Users are acquired by a market research agency. The testing takes about an hour. At the beginning of testing, the organizational member briefly explains the solution and the customer then offers feedback. Afterward, the testing results return to the departments.

External Pressure

LegalTech and InsureTech monitor and analyze not only their customers but also their competitors. The companies operate in highly flexible markets, and they need to compete with young start-ups and established companies. Speed plays a significant role in both industries. At LegalTech and InsureTech, I was also offered the task of analyzing the market and preparing my results for the managing directors. Every week I had a meeting with the management to present the latest activities of the competition from Germany and abroad. In addition to my competitive analysis, the most prominent competitor study occurs in informal conversation. The organizational members gossip about the latest developments in the industry at lunchtime, in the hallway, or in the kitchen. It seems that every employee is informed about what the competition is doing. Accordingly, competition constantly influences the work of every member. They observe the market as a source of inspiration for the generation of solutions.

For InsureTech, investors are also a form of control. InsureTech is not yet profitable and depends on investor funds, whereas LegalTech has been operating independently of investors for years. InsureTech relies on the decisions of its investors, which means the company must provide its shareholders with regular and standardized information about the economic situation. The reporting covers the following points: “(1) Quantitative target/actual comparison of sales, costs and earnings, (2) Qualitative statements on target/actual deviations, (3) Information on general business development, and (4) Goals and economic outlook” (InsureTech, internal documents).
That’s a lot of weight on the investor side, not making a plan and delivering something else (InsureTech, MD/F).

In summary, LegalTech and InsureTech place customer needs the center of their control forms. Making the customer happy motivates employees, and they perceive a purpose in their work. The customer influences the design of daily work, and the users assert control of members by offering constant feedback. LegalTech and InsureTech use the Lean Start-up approach to analyze, test, and evaluate responses from users to develop solutions that match customer needs. Moreover, competitors and investors have an influence on the work. In the following section, I describe in detail how market forces influence creativity. I divide the results into Customer Expectations and Feedback and Competitors and Investors Pressure.

4.1.3.1 Customer Expectations and Feedback

The control form of market forces allows organizational members the freedom to constantly create new ideas to respond to changing customer requirements.

Creativity for the Customer

I’m motivated to be creative because we operate with a good case and really make our customers happy in the end ... that’s what I keep an eye on all the time in my work. So that this result comes out at the end of the day (LegalTech, Marketing, M).

Employees at LegalTech and InsureTech identify so strongly with the mission of the companies that there is an independent willingness to make customers happy, and creativity is viewed as an instrument to develop solutions for them.

Somewhere along the way customers have grown unhappy and lost faith in the fairness of the industry. An industry most people depend upon in order for safety and security. We are on a mission to change this – we will make insurance a thoroughly positive product again (InsureTech, website).

By formulating needs or problems, developing solutions, and then testing them on the customer, creativity is influenced in many areas. On the first day of my data collection at InsureTech, I was introduced to the company, and the managing director says to me that the CRM (Customer-Relationship-Management) department is the heart of their innovation. The CRM department aims to systematically design all relationships and interactions
Empirical Analysis

of the company with existing and potential customers. InsureTech hosts a weekly CRM meeting with managers from the CRM, Product, Support, and IT departments and the managing director. In addition, LegalTech and InsureTech have dedicated customer support departments. At LegalTech, the department is called “Customer Care” and at InsureTech “Support.” These departments attend the customers and collect and process customer feedback for appropriate departments. These departments often serve as the starting point for creative tasks.

... I mean, in support, it’s just that you have to be creative. That means that every day, I don’t know how many times, I have to think about how to make the customer happy (InsureTech, Support, HoD).

Customer as Authorization for Creativity

The core of the market forces is that instead of taking the organizational members’ actions under control, the companies allow employees the freedom to make decisions on their own.

And I really wanted to have fun there. To rethink the whole thing, to get to know our customers, to think about what information we need, what problems they have ... and really develop ideas for it. How can we fix this, and we can do it better? So, this was like ‘go for it’ (LegalTech, Marketing, M).

Thus, employees can ‘go’ for being creative for the customers. Instead of managers deciding and commanding, the employees act as if they are entrepreneurs to make decisions themselves. Organizational members present their solutions for customers in regular meetings, and it is ensured by continuous testing that the idea is well received by customers. Additionally, because of a shortage of resources, customers also provide the impulse to hire freelancers to compensate for creativity. LegalTech and InsureTech both hire freelancers for creative work. For example, a freelance product manager develops a completely new product at LegalTech, and a freelance designer works in marketing at InsureTech.

We often employ creative freelancers when we don’t have enough resources to bring the solution to market on time (InsureTech, MD/F).

In summary, the organizational members identify with the customer and view it as their responsibility to ensure that the customer is happy. They are creative so that
solutions can be developed that meet customer requirements. The companies thus allow freedom, as the employees behave in accordance with the mission. Freelancers are employed to create additional resources for creativity.

4.1.3.2 Competitors and Investors Pressure

In the same way as customers, competitors also may influence creativity. LegalTech and InsureTech are in industries with a high creativity rate, as competition among start-ups continues to increase and the sectors are changing rapidly. The companies regularly monitor the competition and react quickly to changes in the market. The proximity to the market also enables the competition to become a form of control for creative work. At InsureTech, investors also influence the creative behavior of employees. Investors receive a regular report from InsureTech, and this report must meet specific requirements, which effect creativity.

From Competitive Pressure to Creativity

As competitive pressure rises, internal pressure increases to develop new ideas and solutions to counteract. LegalTech and InsureTech compete in turbulent industries, in which established companies operate but also new start-ups constantly appear.

As soon as any external pressure is suddenly generated ... Danger always brings such a team together. Of course, that also stimulates creativity ... I think the best ideas come when the s--- hits the fan (LegalTech, IT, M).

Thus, external pressure is caused by the force of crises. By continuously monitoring other market players, LegalTech and InsureTech know precisely what their competitors are doing. The competition is used as a source of inspiration and pressure to work creatively.

We have to think of something else. Let’s see how the competition does it, how the scene does it, how the community does it and so forth. Maybe there are new approaches. You have to be free ... we have to do something else (InsureTech, IT, M).

Many of the changes and improvements at LegalTech and InsureTech are the result of competitor pressure that the companies are exposed to and pass to their employees. Both companies continuously improve their businesses, even though they are already in
the top position in the market. At InsureTech’s CRM meeting, organizational members often talk about the competition and discuss how to adapt the competitors’ service to their own product. Moreover, in times of crisis, the employees are more likely to make discoveries because they are aware of the need for change.

**Investors’ Objectives**

In contrast to the customers or the competition, the investors do not increase, but they mainly decrease freedom for creativity. It is therefore more challenging for employees to be creative when they are controlled by investors through reporting.

*We are probably only creative to convince an investor of good figures that he thinks they are super awesome (InsureTech, Finance, HoD).*

Investors tend to limit creativity because they seek certain figures in the reports. Creativity can possibly arise to help achieve the figures, but these requirements impede freedom. The employees know that investors regularly receive a report on the development of the company, and this awareness influences them by interpreting their work in this report.

*Of course, there is also pressure on the investor side, and I think we all feel that. There are goals that are important to investors ... (InsureTech, CRM, M).*

*Investors want to see certain progress on the basis of measurable values. This can, of course, limit the scope for radical ideas (InsureTech, Product, M).*

In summary, the constant observation of the market serves as an inspiration and leads to the constant need to generate new solutions for the customer. Competitive pressure can offer employees the freedom to react quickly to the competition. In addition, competition leads to employees teaming up and identifying more strongly with the company. Organizational members can be motivated to be creative in reaction to external pressure. Investors can foster creativity for the reports, but they can also hinder creativity by restricting freedom.
4.2 Practice of Freedom

As the data reveals, the system of control is complex and multilayered. The main objective of this system is to provide freedom, and direct control is hardly used. Although a bureaucratic control mechanism exists, it is used to increase efficiency and to set goals so that organizational members have freedom for achieving them on their own. In addition, an effort is undertaken to rationalize creativity. Normative control mechanisms are used to create a shared identity. The organizational members identify themselves with the company and are motivated to behave in accordance with its values and goals. The market is also used to promote entrepreneurial behavior and transfer responsibility to the individuals. Customer focus is not only an obligation to be able to react to the market but also leads to meaning in work and motivation. The system of control forms the framework for freedom. The companies expect freedom to be the best stimulus to creativity. In this case, the framework aims that the employees practice freedom in order to be creative. Consequently, freedom is an essential aspect in controlling creativity. Thus, the practice of freedom is directly related to the system of control.

Freedom in organizations can take two main forms: freedom through work and freedom around work (see Fleming and Mandarini, 2009). I have summarized freedom through work and freedom around work in the dimension of practice of freedom. The practice of freedom involves individual perception of freedom. This perception includes work autonomy, authenticity, and community. In this section, I explain how the mentioned practice of freedom leads to creativity. Figure 4–6 illustrates the individual elements with subcategories.

Figure 4–6: Practice of Freedom. Own figure.
4.2.1 Work Autonomy

In the following, I explain how freedom in relation to work leads to creativity. Having work autonomy means having more control over work-related decisions: what work employees do, how employees do their work, how they plan their working day, and how they use resources (Hodson, 1991). Work autonomy is the opposite of micromanagement, where total control is the order of the day. Work autonomy means freedom and the ability to work independently, make decisions, and develop ideas. I explain how organizational members experience work autonomy under the assignment to reach organizational goals.

In the first step, I introduce work autonomy based on Freedom to Choose Activities and Conditions and From Freedom to Responsibility in a general organizational context. In the following, I explain how work autonomy, based on Self-determination of Activities and Self-determination of Conditions, leads to creativity.

**Freedom to Choose Activities and Conditions**

KPIs and OKRs serve as the basis for self-determined work because organizational members decide how these goals are to be achieved. The employees are instructed in projects, project groups, or teams to achieve goals, direct company functions, and comply with resource specifications. Organizational members can organize their work within the given framework and define processes to reach objectives.

*These goals also leave room for the personal things you want to do in order to do your job better or what we want to achieve as a company (InsureTech, MD/F).*

*In the end, you have to have your goals, which should not change ... How you do it is up to you ... only the result has to be right in the end (LegalTech, Business Development, M).*

The goals are set by the management, and therefore the ‘what’ is mostly restricted. Some of these objectives may be questioned by the employees. However, a higher level of commitment is expected from the organizational members.

*Decide for yourself and try it out when you pour your heart and soul into it (LegalTech, Human Resources and Sales, HoD).*
Employees do not regard this restriction as problematic because the ‘how’ already provides them enough freedom. They enjoy the freedom to achieve the company goals according to their own viewpoints.

*It’s not that I’m working on some sort of list, but I’m just thinking about what makes sense. If that fits, I’m trying to solve it somehow (InsureTech, Product, HoD).*

*… no one stands behind you and then looks very carefully at what you are doing … you can organize the work all yourself (LegalTech, Finance, M).*

Some goals are scheduled and explicitly defined, but others are more freely definable. This flexibility offers employees self-control to achieve their objectives. Organizational members feel more confident in taking initiative so that their initiative pays off in better results. It is not the individual steps but the goals that count. The employees are empowered by the management to perform the tasks independently. They find their work more pleasant because they perceive their work as an enhancement of their own decisions.

*For me it is always important that people have their own projects for which they are responsible because I think that this is the most fun thing to do (InsureTech, CRM, HoD).*

*From Freedom to Responsibility*

Freedom and responsibility are inseparable at LegalTech and InsureTech. Freedom always accompanies responsibility. Organizational members appreciate having responsibility and self-control of their work.

*I have the feeling that I have a lot of personal responsibility. That’s what is so attractive here (LegalTech, IT, M).*

Organizational members organize, prioritize, and work in an independent manner. They accept responsibility and direct their own projects. Freedom and responsibility are not only accepted but intensively promoted by the managements at LegalTech and InsureTech.

*My control is far from micro-management. So [I give] a lot of freedom on the other side and try more the ownership idea (LegalTech, Human Resources and Sales, HoD).*
The only way to scaling is empowerment ... because you need this principle of subsidiarity. So how are decisions made at the lowest possible level with the greatest possible responsibility so that you always have good decisions and are fast (InsureTech, MD/F).

Thus, both companies have a scalable business model, and increasing efficiency is a significant company goal. In these scalable companies, all aspects are growing: responsibilities, the number of tasks, and the number of employees. Therefore, the managements of the companies delegate more duties and responsibility to their employees. The companies view empowerment as sharing power and information to provide more conviction in employees’ outcomes.

Work autonomy combines shared responsibility and the ‘ownership’ of work activities. Ownership is more than just a sense of commitment to tasks. Organizational members are capable of acting, and the companies trust their employees’ ability to execute the tasks. Friedman (1977, p. 47) calls this type of responsibility and trust “responsible autonomy,” which is a management method of allowing individuals more pleasure and greater variety in their work. Responsible autonomy is more likely to involve employees in activities. LegalTech and InsureTech use this management method. The organizational members gain trust by being ambitious and open, listening well, and finishing work on time and with expected quality. They feel strongly connected with their goals, so they also work beyond actual responsibilities. They embrace a membership role as their own because it seems that the organizational goals align with theirs.

... that you have such a solidity that you don’t spend your eight hours working or waiting for the pencil to drop and then go, but that you think about what I’m actually doing here. That everyone also takes responsibility and does not simply follow the instructions ... (LegalTech, Finance, HoD).

If you don’t do complete rubbish, which is obviously nonsense, then you are given the freedom and trust ... then you can take advantage of it. And this feeling is given to me and I take it (InsureTech, Product, M).

In summary, when organizational members perceive responsibility for achieving the overall goals and have the power about how these goals are accomplished, they develop a sense of ownership and self-control over their work. They own the piece of work for which they are responsible. This concept applies to every task, no matter how small. They not only execute the task but also consider ways to improve how the tasks can be
performed. In the following section, I describe in detail how work autonomy leads to creativity. I divide the connections into Self-determination of Activities and Self-determination of Conditions.

4.2.1.1 Self-determination of Activities

When organizational members are able to decide what their work is and how it is done, they have a wide range of opportunities to shape their work. They are responsible for a completed and identifiable task and are convinced that they contribute to the company’s goals.

Creative Self-determination

LegalTech and InsureTech are aware that organizational members need the freedom to be creative and consciously initiate the responsibility to generate creative outcomes. They also know that their members need the freedom of time and resources to work creatively.

_I actually assume that I can only guarantee creative work if I have a certain amount of freedom to think about things, and if I am not working around the clock (InsureTech, CRM, HoD)._ 

... there will be more self-determination, and I also hope that this will continue to leak over the next few months ... not only the individual goals will be spread among the employees, but also more innovation and more personal responsibility will be demanded from the individual. In a manner of speaking, ‘think about something’ ... (LegalTech, MD/F).

Organizational members also view freedom as a prerequisite for being creative, which is beneficial both to them and to the company. Freedom to solve tasks without having to meet specifications or the openness to share ideas with colleagues motivates employees to express creative behavior.

... as soon as I have the feeling that I have a problem, which I can solve myself, it is up to me how I solve the problem. That motivates me and so do many others. This also motivates teams as a whole. Just being free to be creative about how to solve the problem (LegalTech, IT, M).
Freedom creates opportunities to be creative, and the higher the degree of freedom, the more motivated the organizational members are to express themselves creatively. Freedom leads to motivation and commitment to be creative in order to make a positive contribution.

That’s actually my solution, which I try to develop a creative idea in the entire marketing team (InsureTech, Performance Marketing, M).

During my time at LegalTech, I was able to follow an exciting project. The project covered many different facets of the control system (particularly market forces) and the practice of freedom. I observed a product design and launch, which offered me a fascinating insight into how work autonomy operates. LegalTech developed a product called “ProjectLaw.” The development before market launch was in a brief time period, which was unusual for the company. ProjectLaw was started because a new competitor released an extended version of LegalTech’s service on the market. When the employees heard about this competition, everyone was excited and some were even upset. “Why didn’t we come up with the idea?” (LegalTech, extract from field diary). The managing director called a large meeting and explained that the company would react to the competition. Although the organizational members were satisfied with his decision, there was a feeling of uncertainty among them. In order to ensure that ProjectLaw was quickly launched on the market, a freelancer was hired who possessed the technical expertise and also acted as project manager. Furthermore, various employees were brought into the project team: two developers, one marketing manager, one new venture manager, and one business development manager. Together with the freelancer, they received the order to launch the product within a short timeframe. The managing director announced ProjectLaw and empowered the team to complete the project without him. At the beginning, he was present but gradually withdrew. The project involved a great deal of creativity, as many ideas and solutions had to be developed.

With [ProjectLaw], it was quite funny, because [the managing director] went on holiday. For a week, we were panicked, but we noticed that we could decide on everything ... In the week, everything was done, the processes, the logo, the website (LegalTech, Business Development, M).

I was not directly involved in the project, but I noticed in the calendar that employees had a meeting every evening at 6:30 p.m. to work on this task. Although the project occurred outside of the actual working hours, the team members seemed inspired. The
participants were motivated to finish the project before the managing director returned to the office.

**Pre-determined Activities**

As this case illustrates, the labor-intensive workday does not leave much room for free and creative time. The defined goals also determine the sequence of tasks to be completed, which means that organizational members are only free to be creative when they have previously performed other tasks. For example, although the employees were responsible for ProjectLaw, they met after 6 p.m. to work on it. At InsureTech, the creativity workshop that I held was also after working hours. The pre-determination of activities is particularly interesting because the precondition has a strong influence on the creative behavior of organizational members. Creativity is viewed as an instrument to achieve the defined goals. Thus, when planning the goals, it is often not considered that sufficient space and time are granted for creativity.

*Of course, we have [freedom for creativity] only as long as we operate in a certain range, which is OK from the numbers. As long as that’s fine, we actually have ... all the freedom in the world (InsureTech, Performance Marketing, HoD).*

*There are always new stuff coming in, and you’re only working on tasks. Unfortunately, this is the worst thing that can happen for creativity. You would need exactly the opposite ... (LegalTech, Customer, M).*

It is noticeable at LegalTech and InsureTech that the necessary freedom for creativity only exists when specific activities are completed. Some employees describe this freedom as inefficient time because creative work does not achieve a predictable result.

*In my opinion, creativity can only happen if the company has the opportunity to do so. Let’s take an example ... You earn so much money that ... 10% of the time is inefficient ... If brainstorming sessions or creativity don’t produce anything, then you can say, yes, OK. You have one day every two weeks where you can be creative. But you have to afford it (InsureTech, BI, HoD).*

In summary, freedom and creativity are closely intertwined at LegalTech and InsureTech. The companies are aware that they have to provide freedom so that
employees can be creative. Basically, there is freedom to express oneself creatively. The high workload can hinder that creativity from emerging within the specified working hours. The employees have the freedom, but the goals and the capacities during the workday hardly allow for creative work. The challenge that arises is what type of freedom is necessary for employees to work creatively.

4.2.1.2 Self-determination of Conditions

Within the work autonomy, the organizational members are able to determine the conditions for creative work. They have the freedom and the responsibility to determine when and where to be creative. Self-determination of the conditions also places employees in charge of fulfilling their creative duties. Managing time becomes a central significance for them.

Time and Space for Creativity

LegalTech and InsureTech have no fixed working hours. There are only core working hours from 11 a.m. to 5 p.m., but organizational members determine when or even whether they are in the office. At both companies, the organizational members can come in when they want and do not need to record their times. They are responsible for working according to the prearranged working hours. The companies disclaim the compulsory time recording and instead rely on trust. Organizational members decide when they go to the office, how long they stay, whether they work from home, and when they perform each task. The possibility of working from home is not formally fixed but rather a norm. If organizational members want to work from home, they only have to write a short message to their supervisor. Usually, they work once or twice a month from home and typically on Fridays.

Well, we’re all always here and working our times, but it’s not a matter of leaving early, no one asks ... Or you can do home office ... and that’s good for me, it gives me freedom, and that’s what I think is a very helpful factor, especially when it comes to creativity (LegalTech, Finance, M).

Organizational members view flexible working hours and especially “home office” as helpful for creativity. They claim that creativity needs time without pressure, and therefore they shift creative work to their homes.
I’m a little creative. I try to do this kind of thing in the home office because I have more peace of mind (InsureTech, Human Resources, M).

After the organizational members at LegalTech and InsureTech have determined their activities, they also establish a schedule for completing their tasks. In this way, they calculate the time for each task to plan their day. Sometimes, the daily schedule is validated with colleagues, and they discuss when the work needs to be completed to ensure that collaboration runs smoothly. This discussion occurs either via e-mail, chat, or short meetings such as “Daily Stand-ups.” The Daily Stand-ups are not required by the organizations, but the employees themselves determine how they want to exchange information and ideas. For example, developers at InsureTech meet every day for a Daily Stand-up session to discuss in 15 minutes which tasks have been completed and which will be executed next. If organizational members work from home, colleagues are informed about nonattendance and the current status of the task before the meeting. The self-determination of conditions means freedom and self-control of scheduling tasks but also an agreement to have the work completed by a fixed date. The employees also determine times when they are creative. The self-determination of conditions and an ingrained responsibility of time and resources lead employees to attempt to find time for creative work.

I also think that I am responsible for coming up with new ideas on my own. ... to keep this time open to me too, because otherwise, if I don’t fight for it, my time is automatically stuffed up (LegalTech, Marketing, M).

The product team at InsureTech meets every Friday for a one-hour creativity session, called “Creative Coffee.” It is a fixed meeting at which the employees generate ideas without an agenda and expected results.

We’re calling this ‘Creative Coffee,’ where we just sit on the couch and talk and have no agenda. Then we discuss topics that just come up (InsureTech, Product, M).

Creative Coffee is a meeting designated for creativity. In contrast to other workgroup meetings, this one is intended to introduce leisure or at least relaxation into the workplace. The setting is unstructured playfulness that characterizes informality in the course of a regular meeting. The free and relaxed atmosphere stimulates the informal exchange of ideas between the team members. Although the time is limited and no concrete results are achieved, organizational members develop several ideas within an hour. The concept and
Implementation of such a meeting are based solely on the responsibility of the members according to the aim of being creative. It is consistently emphasized that the strength of this meeting lies in its unstructured form and self-determination. The atmosphere is relaxing and filled with laughter. Four product managers from different hierarchies always participate. One person always takes minutes and writes down the developed ideas.

So, with our ‘Creative Coffee,’ it’s a good fact that [the managing director] isn’t there, too ... At our product stand-up meeting once a week, [the managing director] is always there, and that changes everything because it is sometimes a bit of a reporting meeting (InsureTech, Product, M).

It is particularly important for the participants that the managing director does not participate; otherwise the pressure would increase to achieve concrete goals. The Creative Coffee only occurs at InsureTech and is sometimes canceled due to the high workload.

**Insufficient Resources for Creativity**

As with self-determination of activities, self-determination of conditions leads to a dilemma of insufficient resources.

It is said we have the freedom to take time for ideas. But it doesn’t do any good if we take 10 minutes during the day and then have to stay longer at the end of the day. And that’s a big problem ... (LegalTech, Marketing, M).

Through indirect control of their goals, employees at LegalTech and InsureTech prioritize independently when and how they are creative. Organizational members are evaluated formally according to key figures and informally on their ability to execute work on time. They are committed to defined schedules and prioritized tasks. The tasks require different resources, and the employees have the responsibility to allocate their resources in the course of working hours so they can execute their tasks. They need to be creative and take the time to do so, but they also must execute tasks that are measured operationally. However, organizational members are aware that creative work cannot be as clearly planned as measurable tasks.
First of all, to have freedom to think. It is very important to have the time to do this. Personally, I see the problem. You always have a lot of small, small, operational tasks ... that you have to do somehow, and they take up an incredible amount of time. But you’re not really creative, you’re just working on it. And I find creativity can only come into existence when you create conscious space to think about something more intensely and to deal with it (InsureTech, HR, M).

The workload is high for many organizational members, and they need to decide how and when to complete each task. The employees know what resources they need to be creative. However, the required resources are often not available at LegalTech and InsureTech.

... there was the idea, everyone has 20% of their working time, somehow available to spend ... solving problems and being creative ... but at the end of the day, people have been so pressured to reach their numbers that this finally turned out to be contradictory (LegalTech, IT, M).

LegalTech and InsureTech are aware of the contradiction between operational workload and freedom for creativity. The idea of employees offering 20% of their time, and their creativity is not realized because company figures must be reached. In this sense, both companies transfer the responsibility to be creative within the provided limits. For employees, it is challenging to work creatively when faced with different environmental influences, workload pressures, and stress. There is a consensus among LegalTech and InsureTech that there are not enough resources available for creativity. The unavailable resources either lead to dissatisfaction, or the creative work is shifted to extra hours.

Only to work through the most important things and no time at all for creativity. Last year, I already accomplished two or three small projects and ideas. That was exhausting and there was a lot of overtime (LegalTech, Finance, M).

And that’s totally unsatisfactory to me, but I know in the short of time ... is not going to be what I want. Although if I had the time and leisure, I could do something much better (InsureTech, Communication, M).

Some organizational members create extra space and time for themselves, but some move their creative work to leisure time. The workload is often high and the required time
to be creative is insufficient. Employees are expected to manage their creative time themselves. As Creative Coffee illustrates, this can work. However, most organizational members at LegalTech and at InsureTech are under pressure to take time for creativity. They are aware of the prerequisites, but the companies treat creativity in the same way as any other task, which is to be completed in a specified period. This means pressure on the organizational members to be creative immediately. They have to be creative when asked, which leads to discontentedness for the organizational members.

In summary, LegalTech and InsureTech employees are offered work autonomy, and in return they accept more responsibility for achieving their goals and being creative. The goals are usually clearly formulated, but the employees are liable for their implementation. Thus, the employees attribute their success to their personal effort, and they are typically more motivated, which is necessary to be creative. However, self-determination of activities and conditions also leads to pressure to be creative within the provided resources and time.

### 4.2.2 Authenticity

In the previous section, the data has revealed that members can determine for themselves what, how, and when to achieve their goals. In this section, I explain how authenticity is a form of self-determination around work, which is the core principle of neo-normative control. I illustrate how the authentic self of people becomes a resource of the organization, and the organization becomes part of their private life. Authenticity emphasizes private integrity and the freedom to be oneself with respect to work. Authenticity in organizations means that people can bring an individualist expression of identity into the workplace. The individualist expression of identity shapes the corporation, communication, and method of working between members. In this way, authenticity also influences the enhancement of creative behavior. As Fleming and Sturdy (2009) has noted, authenticity in the workplace may imply dress code, sexuality, and fun. Fun is especially emphasized by both companies, so I discuss it in a separate chapter. Therefore, in the first step, I introduce authenticity based on *Dress Code* and *Drinking and Sexuality* in a general organizational context. In the following, I explain how authenticity, based on *Private Self as a Resource* and *Humor and Laughter*, evoke creativity.

#### Dress Code

When entering LegalTech or InsureTech, the most noticeable aspect is the dress code. No specific dress code exists, and the organizational members can wear whatever they
like. The typical clothing is modern, colorful yet comfortable, and it might also be described as youthful. The laid-back style consists of basic t-shirts, hoodies, and jeans. The dress code also emphasizes the celebration of different lifestyles and coverings to feature such physical phenomena as colored hair, visible tattoos, and facial piercings. On the companies’ websites, that individuality is particularly evident. For example, the recruiting page on the InsureTech site displays tattooed employees in shorts and vests. Even at essential meetings, such as job interviews, people wear casual clothes.

*The interview already had a certain charm. Well, it was summer, it felt like 40 degrees [Celsius], and I don’t know, [the Head of Business Development] came to the job interview just in flip-flops and shorts, which really makes me tick (LegalTech, Business Development, M).*

Organizational members seem to enjoy expressing their private selves through clothing. This practice expands to other possibilities, such as the corporate parties and events (e.g., Oktoberfest, Halloween Party, and company off-site events). Employees can express themselves not only through their casual clothes but also through clothing for specific events. In this way, they integrate their private self into the company and demonstrate the preferred organizational self of an open, sociable, and entertaining person. Even managing directors do not exclude themselves from this expression. They dress up like their employees and display their humorous private side through clothing.

*Two years ago, we went to Tropical Islands and we booked an extra room just for smashing. [The managing director] then stood there in a Tiger-String and had to explain to the security that everything is OK (InsureTech, Communication, M).*

**Drinking and Sexuality**

LegalTech promotes company off-site events as “work hard, play hard” (LegalTech, internal documents) to indicate that work and fun do not have to be mutually exclusive. InsureTech also promotes the incorporation of explicitly adult identities on the notion of partying and drinking. In particular, at both workplaces, organizational members are openly encouraged to drink alcohol and experience a party-like atmosphere. The refrigerators at LegalTech and InsureTech include a large number of alcoholic beverages provided by the companies.
LegalTech has a Friday ritual called “Gin O’clock,” where all members are invited to drink gin and tonic at the workplace. I often participated in these activities to gain a better impression about the culture. Every Friday at 5 p.m., different people meet in the kitchen to start the weekend together with ‘Gin Tonic.’ For some members, this event is a fixed date, and some employees start drinking before the event. “They [IT engineers] are really drinking gin but it’s only 2:00 p.m.” (LegalTech, extract from field diary). Most organizational members seem to react positively to such activities, and many are laughing and flirting. The expression of flirting and sexuality among organizational members is not only limited to parties but is openly accepted in general. Both companies have heterosexual and homosexual couples who have first met in the company. The companies know about the couples and tolerate them.

In summary, by openly and loosely engaging with dress codes, drinking, and partying, the companies invite employees to express their private selves in the workplace. The separation between work and private life is fluid and leads to a stronger integration of work into the private sphere.

4.2.2.1 Private Self as a Resource

At LegalTech and InsureTech, organizational members have the freedom to bring their authentic self into the companies. They present and act in a way that corresponds to their own private nature. In this way, their interests, decisions, and activities are based on their authentic selves. The organizational members display their true selves without having to take on another role in the company. This, in turn, influences creative behavior in that the private self with interests, desires, and needs finds a place in the company, while the company takes a place in private life.

Inspiration and Creativity at Home

And for us, creativity is the daughter of inspiration. You can get inspiration in very different places depending on what type of person you are (InsureTech, MD/F).

LegalTech and InsureTech deliberately play with the expectation that employees also deal with company-relevant topics outside the workplace. Both companies have a library of company-related books. The books are intended to deal with other issues to inspire the employees. The books are about creativity, innovation, business models, and technology. The companies allow every organizational member to take a book home and read it there.
It is not compulsory to borrow a book, but companies want employees to deal with related topics outside of work. If a book does not exist in the library, there is a possibility that the HR departments can order books for individual needs. Many employees regularly take a book home with them. I often heard people talking in the morning about content in the books that they are reading. InsureTech has a type of book club that meets regularly to discuss the latest books that the company has purchased.

*So, what I always do ... very much in the evening, at night, on weekends to deal with related topics, read a book or something. And then I think of ideas ... (InsureTech, Product, M).*

The books are not only a source of knowledge and inspiration but also serve as a starting point for creative work outside of working hours. Some employees gain knowledge at home for the companies and process it in idea generation. I often heard these sentences at InsureTech: “Last night I had a great idea when I read the book, and we have to think about how we can implement it here” (InsureTech, extract from field diary). The organizational members are concerned with putting their individual possibilities to the best possible use.

*The whole way of working at the desk is rather old-fashioned ... Actually, I am lot more productive and creative when I am in my normal everyday life (LegalTech, Business Development, M).*

Employees do not see a strict distinction between work and private life as necessary but rather see the advantage of making use of their true self. Some employees even see the strict separation as reminiscent of a classic company. Young people in particular regard this as an advantage rather than a disadvantage.

*Creativity during Breaks*

*I think it’s a great idea that you try to brainstorm and come up with ideas during your lunch break ... I think you should do it just in those moments when you’re very lively and relaxed (InsureTech, Performance Marketing, M).*

Breaks are an opportunity to exchange ideas, meet new people and old acquaintances, tell gossip, watch others, share information, and be creative. Shortly before 1 p.m., a few organizational members will write in the Slack channel who would like to have lunch
together. A group is formed either to choose a restaurant nearby, order something, or cook and then eat together in the kitchen. The atmosphere is always relaxed, energetic, and fun. Although many employees often talk about private topics, conversations mostly focus on work. They exchange information on different activities and ask each other questions in order to solve problems. Especially interesting is the dynamic and the motivation to use the break to generate ideas together. I regularly attended such lunch breaks and observed the exuberant atmosphere. Everyone sat at the table, and one person would talk about a current challenge. The colleagues then developed many ideas, which are usually written down and followed up after the break. I was perceived as an ‘expert’ for creativity, and hence I was often asked if I could help to develop ideas. Since no results are expected from the breaks, there is no pressure for the employees to share the developed ideas later.

In summary, while work overlaps with private life, the time that employees work also overlaps with the time outside the work hours. Aside from work, employees read books with topics that are relevant to their work and develop ideas that are discussed the next day. In this way, organizational members utilize their individual work preferences to the best of their ability to contribute their own personal skills. The lunch breaks, which are actually meant to take a break from work, are also used to be creative in a relaxed and pressure-less atmosphere.

4.2.2.2 Humor and Laughter

Humor is another form of expression of individual freedom, and joking and laughing reflect the nature of the person’s true self (see Collinson, 1988). When people can express their humor, a connection is formed between the true self and the expressed self. At LegalTech and InsureTech, there is much laughter. People are always laughing or fooling around at the workplace. Humor and fun are essential parts of the identity of the companies. Humor and laughter influence communication and the expression of creativity.

Having a Laugh

Humor is a connected element beyond all levels of the hierarchy, and it is an important networking element within the companies. The managing directors of LegalTech and InsureTech express their humorous sides, which are well received by the employees. By acting as role models in part, they can influence the mood and even the culture of companies through the expression of humor.
... if there’s a laugh somewhere and the managing director is standing close by, then he’s the one who laughs loudest. And I think it’s sort of rubbing off, too. He has a very loud laugh. It sounds through the whole room; everybody knows that you can have fun and laugh sometimes (LegalTech, Human Resources, M).

[The founders] are just hilarious. They have a good sense of humor (InsureTech, Communication, M).

The managing directors not only lead by example (e.g., ‘having a laugh’) but also support employees who express their humorous side. At LegalTech and InsureTech, humor plays an important role in helping the communication between employers and employees. Supervisors help relieve conditions with humor and use jokes as a medium of communication. Humor can help to exchange information, when it is not otherwise offered. A humorous style of communication has a relaxing effect. Managers offer their counterparts permission to remain in contact with them and their resources instead of resigning in a power structure. Laughter creates a relaxed atmosphere, which does not correspond to the typical workplace.

I think we have a very fun culture here, ... where a lot of value is attached on humor and where people are laughing ... There is an atmosphere where work is not the only focus (LegalTech, Human Resources, M).

Humor is part of the companies’ cultures, and there is a perception that laughter and work do not have to be mutually exclusive. By expressing humor, another step merges the working world with private life. Similar to working at home, when employees express humor they feel comfortable, and laughing relieves the work situation. Due to expressing humor, the employees feel free and authentic in a way that they might feel outside the workplace.

Humor helps Creativity

The opportunity to laugh and to joke around enables organizational members at LegalTech and InsureTech to reduce the tensions, not only to focus on success and to offer space for creative and unconventional solutions. I attended many meetings and breaks, and I experienced much laughter, which provides a more relaxed atmosphere. In those situations, organizational members talk about their ‘crazy’ ideas and solutions. For example, during the coffee break, I noticed an employee making jokes about how the
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A company could save the world. The colleagues laugh, and many wild ideas are developed. Humor is often used to ‘play’ with ideas because criticism is de-emphasized. At LegalTech and InsureTech, organizational members are more open to express their ideas and can deal with criticism more easily if their colleagues humorously criticize them. Indirect irony and humorous self-distance improves creative self-expression at the companies. Humor allows members to question facts, provoke a change of perspective, and surprise with unusual twists and turns.

[We] do meetings, which are fun and creative. For example, yesterday I had a session [with a colleague], and we were totally creative. Because at some point we came up with totally fun ideas (LegalTech, MD/F).

Humor creates an atmosphere that helps to encourage creative behavior. With a sense of humor, ideas are not taken too seriously and organizational members are less afraid to express their ideas. Sometimes humor and laughter help move toward a solution to difficult problems. Criticism does not feel like criticism at first glance, yet ideas are presented that may be implemented at a later date. Laughing or smiling frees employees from these restrictions, and thus supports the generating of incongruities and ideas.

In summary, humor is a form of expression of freedom, and it also serves as a way to demonstrate creative behavior in the workplace. Humor has a similar effect to working in a private environment. People use humor to create, save, or maintain an image of themselves. Humor may also strengthen the relationships and identities of organizational members. Laughter creates closeness by people laughing together about the same topics. With humor, organizational members avoid direct confrontation and still express their opinions and ideas.

4.2.3 Community

In the previous section, the empirical data demonstrates how individuals are able to bring their authentic self into the workplace to influence creative behavior. This type of authenticity is not only tolerated or permitted but actively endorsed by the organizations. In this section, I proceed from an individual perspective to the group level of freedom around work. Authentic individuals create a community, which leads to two implications: individualism is a way to engage in the group, and self-investment in the company enhances freedom (see e.g., Kunda 1992). A community is a group of people who develop shared knowledge and experiences and rely on trust (Adler, 2001; Alvesson and Willmott, 2002). Within a community, relationships can be so intense that colleagues become
friends. Normative control and authenticity congregate in the construct of community. Although the companies organize fun events based on voluntary participation, a community can only arise through authenticity. The system of control is the framework for freedom to create a community. In this chapter, I explain how individuals and fun activities build relationships and create a community that also leads to creativity. In the first step, I introduce community, based on Provision of Fun Activities and Incentives and Implication of Fun Activities and Incentives, in a general organizational context. In the next step, I explain how community, based on Participation in Fun Activities and Amicable Working Relationship, evokes creative behavior.

**Provision of Fun Activities and Incentives**

LegalTech and InsureTech seek to provide an atmosphere of fun and friendships. A remarkable emphasis is the creation of relationships between organizational members that resemble the positive social interactions outside work. Both companies provide various fun events and incentives that have the goal of building and consolidating a community.

*We’ve often been to Tropical Islands. It’s almost [become] a little tradition. Last year we also played exit games, played laser tack. So, we always try to do something for the team feeling (InsureTech, Human Resources, M).*

*... I like very much this very collegial atmosphere, which is also what the company wants or supports ... our SummerWorkshop, which we have once a year, or team-building activities that take place in the departments, or also the get-to-know-lunches (LegalTech, Human Resources, M).*

In such activities, the members create bonds that go beyond the employer-employee relationships. The significance of such events of non-work activities is underlined on the recruiting website. “We are on a serious mission and want to have fun on the way there” (InsureTech, website). The LegalTech website has a video of the last SummerWorkshop that depicts the organizational members drinking alcohol in a relaxed atmosphere at the beach on Mallorca. I confirm that the descriptions on the websites reflect the internal atmosphere. First, the office designs from LegalTech and InsureTech represent the fun atmosphere. As mentioned before, LegalTech and InsureTech have foosball tables, ping-pong tables, toys, and large kitchens for communal cooking. Second, the companies offer many extras to their employees, like snacks and drinks, free bicycles, internal academies, language courses, and sport classes. The kitchen at InsureTech offers industrial refrigerators with beer and energy drinks and cabinets with muesli and fresh fruit. Whether it is
foosball, barbecuing, or having a drink after work together, fun activities and incentives are essential elements of their cultures. Interestingly, not only are fun events intended and perceived as positive, but organizational members even complain that there are too few of the joint activities.

*We have the summer party and the Christmas party, and that’s really great, but in between there is almost nothing, and many of them are in their groups, but the company is not growing together (LegalTech, Finance, M).*

The cohesion of the group and the perception of belonging are important variables to create fun at work and amicable working relationships. In this sense, organizational members also demand more such events or create their own.

*... the aspect of work-life balance comes here into play. This is very recognizable here, with ping-pong tables over a bit of PlayStation gaming at the IT, up to joint barbecue (LegalTech, Business Development, HoD).*

For example, the Gin O’clock or a barbecue are self-organized events. I often participated in those activities. The barbecue is an irregular occasion, organized by the IT team at LegalTech. Via Slack, the IT team invites every employee to participate. The barbecue is casual, and people laugh a lot. People talk about private matters but also about projects that they are working on. In addition, it is typical in both companies to celebrate birthdays or other occasions with colleagues. “Hey all, since it was my birthday last Friday …, you will find some cake and [Gin and Tonic] at 4:45 p.m. in the kitchen upstairs. Feel free to drop by and celebrate with us :)*“ (LegalTech, internal documents). In most cases, the ‘birthday child’ brings a cake and receives a small gift from the company. It seems more like a birthday party within a family or friends than with colleagues. There is another tradition at LegalTech that each employee alternates cooking lunch for the team. InsureTech has similar events, but the family atmosphere is more pronounced at LegalTech. For example, at InsureTech every international football game (e.g., Football World Cup) is watched on the screen in the kitchen. The company provides food and beer for this purpose.

**Implication of Fun Activities and Incentives**

Not only do organizational members value such fun activities, they also feel partly liable for the presence of such opportunities. In this sense, the possibility to have fun within the workplace influences the daily work. The goals are well known, and if they are
not achieved, the companies cannot afford such activities. For example, I was at LegalTech when the managing director was giving a short presentation on the achievement of an important milestone. The company reached a significant company goal, and the management decided to celebrate. As a ‘thank you,’ the company organized a food truck, and all employees could eat for free and celebrate this company success. The food truck was located in the yard, and at lunchtime the employees went out together. The atmosphere was very positive, and I noticed that everyone was happy to have reached the goal and grateful for the appreciation. After lunch, we returned to the workspace, where a chocolate bar was placed on each desk with a small notation of thanks.

*Thanks for your hard work. Without you, we would not have reached our goal* (InsureTech, extract from field diary).

Fun activities are received by the organizational members in a positive manner, and they express thankful gratitude and loyalty. LegalTech and InsureTech establish fun organizations by symbolically blurring the boundaries between work and non-work life.

The intention to create a more enjoyable workplace is a laudable effort. The organizations aim to recreate extra employment motifs within the boundaries of the workplace. Fun activities are derived from the social environment outside the organization and serve to build informal relationships. Interestingly, this feeling of being a part of the company success influences the daily work of the organizational members. The employees are aware that their behavior has an influence on the provision of such events.

*If you don’t reach x things, the company can’t grow x times, can’t get some kind of new money in and can’t afford cool new things like ... a yoga lesson, some kind of back training, ping-pong tables ... ] This has implications for your own working life, which you make yourself aware of* (InsureTech, CRM, M).

4.2.3.1 Participation in Fun Activities

Not only humor and laughter at the individual level, but also fun within a social group is an expression of freedom to stimulate creativity. Fun is an expression of the authentic self, and it synthesizes private life and working life and alters the relationships between employees. Fun activities create a delighted team dedicated to improving workplace ethos, which can lead to creativity.
Playful Creativity

Within different formats for fun, organizational members have the freedom to express themselves and evolve freely within a group. This form of freedom also has a positive influence on creativity, as fun creates a relaxed atmosphere for employees to express creative behavior. During fun activities, employees feel at ease when their playful side appears at the workplace from time to time. For example, the connecting of fun and creativity is evident in the IT departments of both companies. In these departments, Nerf battles rage, with employees firing weapons behind large flat screens, crouching and rolling under desks, or playing virtual soccer on a SONY PlayStation. When I introduced myself to the IT department at LegalTech, two IT engineers were playing on the PlayStation, and one of them greeted me with: “Hi, look! We are doing very creative stuff at the moment” (LegalTech, extract from field diary). Although the statement was meant ironically, it is interesting that members are playing PlayStation during the workday. In those activities, organizational members have fun and informally exchange information on different topics during such short fun breaks. Similar to the lunch breaks (see Section 4.3.2.1 Private Self as a Resource), a relaxed atmosphere leads to an informal exchange of information and an expression of creative behavior. I often played ping-pong with employees, and most of the time we played after regular working hours. During a game, we typically talked about work-related topics and problems that the individual employee faces. Sometimes, we developed ideas to solve these issues. Some of the organizational members occasionally played ping-pong several hours after work and did not leave the office until late in the evening.

Fun Activities to Express Creative Behavior

Fun activities aim to strengthen the playful collaboration and create an ambience for creativity. The SummerWorkshop at LegalTech particularly combines an atmosphere for exuberance and fun, which has a positive effect on creativity. The SummerWorkshop occurs every year in a different country. The company encourages the entire staff to fly overseas to spend five days together, having fun and participating in workshops. All costs (e.g., hotel, flight, meals, activities) are covered for all employees. Participation is voluntary and no employee is required to attend. In recent years, the workshops have occurred on Mallorca, in Italy, and in Croatia. Participants expect fun games with team building and entertaining exercises (e.g., Jet Skiing, beach volleyball, and partying), but they also work on feasible and organized outputs. The workshops are carefully choreographed to convey to members, in a non-authoritarian environment, aspects of the organizational
culture and the personality that members are thought to express. In five days, the company offers different workshops that pursue one common goal. In 2014 the company developed its company values. The schedule of the five days is packed, running from early-morning exercises through lunchtime games to 5 p.m. presentations. Some workshops are presented by experts and some by members who have agreed to perform the task. Apart from the goal setting, organizational members are encouraged to participate in fun activities. As already mentioned, LegalTech actively advertises the SummerWorkshop on its website with the underlined statement that fun is an essential aspect of its work and the workshop in particular. “Once a year our whole crew celebrates the top team event: Our SummerWorkshop. We all fly abroad and spend a couple of days brainstorming – of course there is also plenty of fun” (LegalTech, website). As I could not participate in the workshop myself, I can only indirectly confirm this statement. Whenever I talked to staff about the SummerWorkshop, I noticed an enthusiasm. Most organizational members appreciate these days, enjoy the fun and the atmosphere, and confirm that they are especially creative there. The SummerWorkshop provides a relaxed and fun atmosphere to reduce regular pressure. The private self is even more intensely expressed than in the workplace. The relaxed atmosphere and expression of true self not only leads to creative behavior within the workshops but also during the fun activities. Supervisors are in constant exchange with their employees, which can lead to generating several ideas.

[We] have the [SummerWorkshop] once a year, where everyone is always very creative. We are very productive and you can notice that our supervisors are very happy about it (LegalTech, Marketing, M).

Employees succeed in enjoying themselves when they grow confident in their roles and adopt a creative behavior over the course of the workshop. Organizational members recognize not only fun activities as a positive component of the workplace, but they also profoundly value such efforts.

... this is really amazing. We have somehow thought that there will probably not be such trips for long ... This also shows the value of the individual employees. OK, we're kind of squandering a lot of money. ... Of course, that’s not just for fun but also among other things (LegalTech, Customer Care, HoD).

InsureTech has a similar event, but it is not as elaborate as the SummerWorkshop at LegalTech. Every year the company visits Tropical Islands, which is a water park near Berlin. The company also covers all costs with the only aim as having fun. The one-day
trip is about partying, drinking, and strengthening the team spirit. The organizational members appreciate such initiatives and relate how they help the team bond together.

In summary, LegalTech and InsureTech offer various fun events in which organizational members can voluntarily participate. In this case, the fun events are part of system of control that allows freedom around work. Fun activities are regarded as constructive rather than disturbing aspects of workplace engagement. Fun activities are often a collective construction or a collective initiative, allowing participants to feel relaxed and express creative behavior. Organizational members appreciate such initiatives and feel responsible for their work, contributing to the continued existence of these activities.

4.2.3.2 Amicable Working Relationship

A fun organization consists of symbolically blurring the line between work and non-work life. At such non-work activities, friendships are made with colleagues. Such intensive relations between colleagues influence not only interaction, communication, and the organizational culture but also the creative behavior of organizational members.

Becoming Friends

Fun activities, drinking, and partying involve the relaxation of norms and a high degree of authenticity, which requires a certain degree of trust that is normally present in friendships. Friendships are generally considered chosen freely and have important implications for communication and interaction (see Spencer and Pahl, 2006). Thus, choosing friends is also a high degree of freedom because such a relationship can be selected independently. The notion of ‘friends’ or sometimes ‘family,’ is central to the relationships at LegalTech and InsureTech.

... we really work as friends, and I would say we are friends here (InsureTech, Communication, M).

Organizational members have emotional connections to the companies in that they have intensive relationships with other organizational members. Friends suggest that they are emotionally connected to a group and are designed to maintain the integrity of the relationships. The terms friends or families are not only the descriptions of relationship among people but also sometimes are actual.
My sister-in-law works here, too ... She told me that she gets along so well with all of them and ... then I said to her, ‘If you get along so well with all of them, maybe you can show them my CV’ (LegalTech, Human Resources, M).

In addition, two brothers are employed at LegalTech, and the managing director of InsureTech is married to the Head of Human Resources. The intensive relationships are not only realized within a hierarchy level but go beyond titles and structure.

... it doesn’t feel like my boss. More like someone you’re friends with (LegalTech, Legal, M).

Friendships, which are presented at the workplace, also continue after the working hours. Apart from the organized fun activities, organizational members meet regularly and intensify their relationships.

There are [people] in the company who do something in the evening and on weekends ... where friendships are made (LegalTech, Business Development, HoD).

Some of my colleagues went to a concert around the corner. Some people meet in the bars every evening. Here they play ping-pong almost every night [...] Yes, some of them know each other personally, so in their leisure time [they] go to concerts, parties together. I think that’s normal (InsureTech, IT, M).

Many organizational members continue to be friends and share their hobbies or interests in their leisure time. As already mentioned in ‘Private Self as a Resource,’ this leads to a combination of the private and working worlds. These relationships not only offer employees a positive feeling at work but also increasingly affect their private life. Interestingly, having colleagues as friends is the norm rather than the exception at LegalTech and InsureTech. First, co-workers spend their lunch breaks together, then they meet for a cup of coffee, and sometimes even after work. Later, they may be introduced to the partners, the family, or the private environment of their colleagues. Some employees intensify these friendships by living together.
... there is already such a certain trend, up to a [LegalTech] flat-sharing community, which consists of four or five employees (LegalTech, Business Development, HoD).

At LegalTech, a flat-sharing community of different members living together eliminates the separation between work and private life.

Friends being Creative

Whatever you need to see, how creativity or innovation is created in our company, is much after work. By the fact that we’re all friends, too, and doing something here and there. We go out for a drink with the IT Team, and we ask them how they can do that or that, because a lot is going on where the managing director doesn’t know much about it (LegalTech, New Venture, M).

When colleagues become friends and hang out outside the workplace, their work remain present. In the course of my data collection, I wondered when and how the employees are creative. Apart from workshops, a few meetings, or Creative Coffee, I noticed that there is little room for creativity. Only when I participated in evening activities with the organizational members did I realize when and how creativity occurs. I was told by many employees that they develop ideas in their private time, but only by participating in evening drinking with members was I able to confirm their statements. At LegalTech and InsureTech, I was in the office a couple of times later and attended after-work drinking. For example, when I was at InsureTech on a Friday, I read in the Slack channel that many employees would like to go to a bar and ask for people to join. I joined them because I liked to experience how the employees interact outside the workplace. At 6 p.m. we met in the kitchen and went to a bar nearby. The atmosphere was enthusiastic and there was a lot of laughter. In the bar, almost everyone ordered alcoholic drinks. We were eight people from different departments and hierarchy levels, and I did not notice any distance between the employees. On the contrary, the employees seemed familiar with each other, and it appeared more like friends sitting together, except the topics were almost exclusively about work. I found it particularly interesting that there was a notebook on the table that an employee brought along. After some time and a few drinks, someone began to talk about a certain challenge that he had on the job. Together people generated ideas about how to solve this problem, and one of them wrote the ideas down in a notebook. Some ideas were crazy, but others were already concrete and quick to implement. Such evening activities regularly occur at LegalTech and InsureTech.
In summary, a community within the workplace causes work and private life to converge. An unambiguous separation no longer exists. Organizational members have the freedom to express their true selves and take their private life with them into the workplaces. The organizations not only allow people to bring their authentic self and their humorous side into the workplace, but they also provide fun activates and atmosphere for building relationships. Community fuses the lines of control and freedom. The fun activities and relationships lead again to the blurring of private and professional life and for organizational members to perform creative work outside of the actual working hours. Thus, they may also meet in the evening to be creative. In this setting, organizational members discuss work-related topics but without the daily pressure. The communication is more open between co-workers and friends, and they also accept constructive criticism and exchange positive feedback. The familiarity of a friend may provide the necessary security to express a creative behavior. Relaxing together with friends, without the daily stresses and social responsibilities, may lead employees to be creative together, even outside of regular work.
5 Discussion

This thesis set out to understand how organizations exploit freedom to control creativity. The empirical analysis has shown how organizations use a complex system of control to manage creativity. In this chapter, I discuss the meaning of the empirical findings and relate them to existing concepts about organizational theory and creativity and interpret relationships and revelations. I explain how the results extend existing knowledge and develop propositions to understand contemporary organizations.

The system of control is tricky. It is challenging to grasp and is confusing because control seems to be mostly absent. Indeed, the workplace control celebrates authenticity, friendships, openness, fun and choice, and yet this, paradoxically, causes dependence, identity control and work pressure. Permitting organizational members to have freedom results in higher motivation, productivity and creativity levels. I have highlighted that the cases of LegalTech and InsureTech use a mix of control forms, which is an expanded and broader concept of neo-normative control. Even when LegalTech and InsureTech do restrict freedom, they do so in a manner consistent with their general liberation system of controlling. Freedom is then a cover for workplace control. In other words, the system of control forms the foundation for the practice of freedom, which is a ‘covert control.’ Covert control is precisely what leads to creativity. Figure 5–1 reveals the process from the control system to creativity.

![Figure 5–1: From System of Control to Creativity. Own figure.](image)

In this chapter, I discuss how freedom is a form of control and how it leads to creativity. First, I demonstrate that the practice of freedom is in fact a form of control. Here, I again subdivide forms of freedom into organizations derived from theory, which is freedom around work and freedom through work. These forms are perceived freedom for the organizational members but also covert control of the organizations. In closing, I discuss how covert control manages creativity and thus answer the research question.
5.1 From Practice of Freedom to Covert Control

In recent years, the system of control has changed, but workplace control has remained in force (Clegg, da Cunha, and e Cunha, 2002). Weber called bureaucracy the “iron cage” (Weber, 1992, p. 123). Willmott (1993, p. 532) has claimed that the “velvet glove of corporate culture is the iron fist of instrumental rationality.” Walker (2011, p. 375) has argued that neo-normative control is a “classic case of the iron fist beneath a velvet glove.” Organizations continue to pursue their goals – only now they no longer control directly but abuse freedom to practice control. Therefore, organizational members do not perceive the control as control but as freedom, because it is a degree of freedom. Organizational members are free to be themselves, have fun, spend time with their colleagues and to decide how and where they work. ‘To be free to’ is positive freedom (Berlin, 1969) and is therefore a perceived freedom. However, this freedom does not come without consideration. Freedom results in organizational members working harder, longer, and also creatively (see also Malone, 2004; Vise and Malseed, 2008; Fleming and Sturdy, 2009; Walker, 2011). Figure 5–2 reveals the subcategories of practice of freedom and their consequences.

Figure 5–2: From Practice of Freedom to Covert Control. Own figure.

5.1.1 Freedom around Work

The freedom in which corporatized authenticity and community is implied leads to blending the private and work life instead of freedom from control. The celebration of individual identity and the transport of symbols of fun and friendship are freedom around work and a distraction from control. To show the true self, to have fun, to call colleagues friends and the technical opportunities to work from anywhere reduce the boundary between work and private life.
I think that we have a very loose and relaxed relationship, which I find extremely important ... it starts with clothing style ... I don’t think anyone needs to wear a mask, which I often see in these cooperatives that you are suddenly the private person at home ... you can also do something privately with each other ... you watch the European Championship together or we were in Tropical Islands recently all together with overnight stay. And there’s quite a party and a real hello (InsureTech, Human Resources, M).

The form of control of LegalTech and InsureTech corresponds in many respects to the directions of younger authenticity research (e.g., Fleming, 2009; Barnett and Deutsch, 2016). Authenticity begins with the workplace design. The gray and impersonal offices have been replaced by warehouse images that give employees an authentic underground feeling. The companies have set up their offices in the old factories to exploit the artistic and creative trends that are regarded as more authentic than the usual business districts (see also Heebels and van Aalst, 2010). LegalTech and InsureTech support broader social identity constructions through recruitment and by celebrating differences. The entire recruiting procedures of the companies are based on demonstrating an open, fun, and relaxed atmosphere. At the very beginning, candidates are called by their first names, and correspondence is casual and rather informal. In interviews, candidates and interviewers wear laid-back outfits. There is a lot of laughter in the interview and fun questions are asked (“What superpowers would you like to have?”). Candidates immediately get the impression that organizational members can express themselves freely and bring their true selves into the companies. Although LegalTech and InsureTech pursue a highly differentiated workforce, clear patterns can be seen. Most employees are young and well-trained but inexperienced. They like to have fun and to party. Staying in the company after the end of work and drinking gin with colleagues is positively conjunctive. Informal dress codes, company parties, toys, humor, and jokes encourage organizational members to relax and enjoy their work more (see also Fleming, 2005). Most of the staff at LegalTech and InsureTech belong to the Generation Y or Millennials group. Fleming (2009) has argued that this generation, in particular, prefers an open, relaxed, and fun working environment. Young people prefer an creative working environment and the opportunity to be involved in decision-making (Mueller, 2017). They like challenging and creative work, love freedom and flexibility, and do not like micromanagement (Martin, 2005). Generation Y is a great critic of the capitalist system. Young people seek sense in their work because they want to do something meaningful. The constant questioning of the system, creative manner of working, and the need to perform meaningful work (such as focusing on the customer) make young people good workers in today’s
business world (Fleming, 2009; Thompson and Gregory, 2012). For example, Ross (2004) has observed that IT start-ups actively recruit workers with counter-cultural and anti-capitalist values (see also Liu, 2004; Fleming and Sturdy, 2009). In addition, young people are inexpensive workers who quickly internalize the organizational culture. The average age at LegalTech is 30 years and 31 years at InsureTech. Organizational members are young and authentic but contradictory; they should adapt and behave according to the organization’s values. This adaptation starts with the job interview and can even end with the employment relationship if members do not behave accordingly. In other words, employees should ‘be themselves,’ but only to a certain extent and in a manner that is considered acceptable and useful. Freedom is restricted because organizational members must internalize the values and discipiles of the companies. The true self becomes the true company self. Individuality is the opposite of conformity; however, the expression of authentic self can also a part of belonging to the company and to its values. Stated differently, the “real selves are downplayed” (Fleming and Sturdy, 2009, p. 579).

A particular expression of the authentic self is humor (Peters, 2003). Being humorous and joking around is directly related to character, such as being a sociable, spontaneous, and open person (Kuipers, 2006). At LegalTech and InsureTech, there is no place for the inauthentic and un-fun person. The companies use practices that are coded humor, play, fun, and friendship. Managed fun implicates a contradictory process of simulating or appropriating the system of reproducing non-work inside the organization to provide members with the impression of the organization being free, happy, and different from conventional organizations. Scientists and practitioners have claimed that when workplaces are transformed into fun and even party-like environments, the way they work becomes more productive and creative (Peters, 1999; Fleming, 2005; Reis, O’Keefe and Lane, 2017). Humor creates another zone of psychological safety in which the organizational members can be themselves without concern and can behave creatively and playfully in the workplace (Elbsbach and Hargadon, 2006). Humor also enhances trust, connects people and groups, and breaks barriers between members to improve participation and creativity (Collinson, 1988; Barsoux, 1996; Grawitch et al., 2003). At LegalTech and InsureTech, employees feel free to express their fun side and create an intensive relationship with colleagues. Wicker and colleagues (1981) have argued that fun is strongly influenced by one’s relationship with another person. Other researchers have pointed out that fun activities lead to group cohesion and perceptions of belongingness (Wetlaufer, 1999; Barnett and Deutsch, 2016; Reis, O’Keefe and Lane, 2017). Fun activities result in stronger relationships, organizational support, and strengthening of employee commitment (Barley and Kunda, 1992). On the one hand, it is certain that many organizational
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members enjoy the fun cultures of LegalTech and InsureTech, but on the other hand, there is also a conflict. Some employees simply cannot or do not want to show their humorous side, and the fun activities or rituals appear to be superimposed. They are under social pressure to participate in these events and have fun. If they elude this, they are not active members of the organizational culture. Organizational members sometimes participate in activities because they feel obligated to do so, which is the opposite of the very idea of freedom. Even if fun in the workplace is allowed, consolidated thinking about workplace control is not so easy to remove from the collective memory of employees. Control is still at the workplace. In addition, organizational members appreciate the fun events so much that they feel partly responsible that such events are offered. They see precise conjunction between the atmosphere, fun activities, and the achievement of the success of the company. In other words, only when they reach their goals, can they have fun in the workplace. In this context, the secret of organizational fun lies in the responsibility of employees and those who formally lead them (see also Fleming, 2005).

The social pressure is strengthened in a community. Community emphasizes personal and informal relationships between employers and employees and plays down hierarchies (Costas, 2012). LegalTech and InsureTech consciously foster a community in which amicable working relationships occur and friendships emerge. In the companies, amicable working relationships exist that go beyond the employer-employee relationship. Employees of both companies maintain intensive relationships with each other. They enjoy the fact that they can work with colleagues who like them and have relationships that go beyond their employment. Colleagues are called friends, and even family relationships exist within both companies. Organizational members trust each other and thus show their authentic self even more strongly, which is also reflected in their creative expression. If people need to spend at least eight hours a day in the same room with friends, they are predictably happier because they understand each other well. For example, Sias and Cahill (1998) have found that friendships have a positive effect on employees and the entire organization. Friends in the office support each other emotionally, point out mistakes, and share important information with each other. They facilitate career steps and at the same time protect each other against attacks from colleagues or pressure from superiors. However, Costas (2012) has noted that friendships in the workplace should not be romanticized. She has claimed that the open, friendly atmosphere is tolerated and cultivated by management because it creates a perfidious but efficient form of control (p. 17). Non-hierarchical friendships with superiors is only really equal on the surface. The unwritten rule is that authority must be respected. More importantly, social contacts outside the company are suppressed by contacts with colleagues so that employees devote
every private dimension to the company. In other words, trust and social responsibility associated with friendship must be seen critically at LegalTech and InsureTech. The loyalty that exists in a work community with friends is contradictory. The companies use community norms for work transactions. True friendship is about the well-being of others without expecting anything in return. Friends help each other, and when friends talk about work-related topics, they try to solve them together. Thus, work becomes a part of the friendship and the community stands in favor of the company. In other words, being part of a work community means celebrating individuality, diversity, openness, and fun but also intensifying identity regulation, homogeneity, and social exclusion.

According to expressing true self, fun, and friendship, organizational members are distracted from the ways in which LegalTech and InsureTech require their members to reduce the boundaries between work and private life. This results in work-life-blending. Work-life-blending is when organizational members blend their work and private life during the day, night, and even on the weekend (Illingworth, 2004; Thompson and Gregory, 2012). This is in opposition to work-life-balance, in which employees continue to classify work and life requests but attempt to find a controllable balance between the two. Allen, Cho and Meier (2014, p. 3) have distinguished work-life-blending with physical, psychological, and behavioral aspects. Physical aspects are concerned with the place where work and private activities occur (e.g., working at home vs. drinking in the workplace) and with the timing of tasks (e.g., staying longer at the workplace to complete the task vs. leaving the workplace earlier to perform private duties). Psychological aspects relate to thoughts, emotions, and responsibility (e.g., thinking about a work-related problem in leisure time vs. thinking about private matters in the workplace). Lastly, behavioral aspects address the occurrence of social behavior patterns (e.g., being authentic in the workplace vs. expressing professional self in the private environment). All three aspects are explicitly observed at LegalTech and InsureTech. Apart from authenticity, fun and friendships, work is also flexible concerning when and where it can be done at the companies. Laptops, smartphones, and other forms of mobile communication technology allow the organizational members to work outside the workplace. Organizational members of LegalTech and InsureTech work longer than agreed upon working hours, take work home with them, and communicate about work-related topics outside the workplace. However, they also bring their private self to the workplace, leave earlier, work from home, drink and party during working hours, and spend time with friends. Some organizational members appreciate work-life-blending because it allows them the freedom to combine work and their private life to suit their needs. In other words, private matters can be settled during working hours, and as compensation, employees are also
available after defined working hours. Organizational members have more freedom, but the pressure and expectations are also increased. There is no work time clock that can prevent the employees from continuing their work. This can lead to increasing working hours, which can end in self-exploitation and health risks (Wepfer et al., 2017).

In summary, LegalTech and InsureTech provide freedom, which pertains to identity and expression of self, fun, and friendship. This freedom detracts from the classical control in organizations. In this sense, the companies do not free people from control but introduce freedom around work. The rhetoric of a *laissez-faire* approach of identities, fun, and relationships appears for the organizational members; they are free, but the approach has its drawbacks. Freedom around work paradoxically leads to control. Although the employees perceive freedom as such, the work-life-blending is a covert form of control. First, the “just be yourself” approach serves to ensure that organizational members bring their private selves into the companies instead of switching between private and professional self. As a result, employees contribute even more by devoting their whole being to the company with emotions, interests, inclinations, and working methods (see also Kunda, 1992; Fleming, 2009; Fleming and Sturdy, 2009, 2011). Second, communities can also be a form of control. On the one hand, the organizational hierarchies consist of friendly relationships, and on the other hand, the social responsibilities that people have towards friends are translated into amicable working relationships. Organizational members feel socially responsible towards friends regarding agreements and assistance (see also Costas, 2012). Third, the culture of fun can cause the employees to feel responsible to participate in fun activities as if it were ordered, yet employees perceive a connection between their performance and the provision of such events. This can lead to work pressure, because if fun activities are no longer offered, it can be attributed to their performance. Barker (1993) has argued that team activities create a sense of commitment but also a normative pressure towards employees. The work-life-blending blurs the work and private life boundary and threatens the seriousness and rationality with which employees maintain a sense of distance. The difference between freedom of control and freedom around work leads to perception disorders. Freedom is subjective, and if the employees perceive it as freedom, freedom also exists for them (Brehm and Brehm, 1981). At LegalTech and InsureTech, organizational members perceive freedom in their work environment. Most employees find that work, by its nature, does not have to be separated from the non-work life. However, for some people, the newly authorized freedom does not fit with the existing control elements. Freedom around work removes the boundaries between work and leisure time, and the employees have to decide for themselves how to set limits. Maintaining a boundary between work and private life is difficult and is thought
to require discipline and effort. Malone (2004) has claimed that not every employee wants freedom. Some people want to be told what to do so they can do their job and go home and to the other parts of their lives that matter to them. Organizational members have to struggle with the company’s demands and impulses, which are not easily distinguishable, to allocate more time to work matters. The results confirm existing research and provide a more detailed picture of neo-normative control theory. Walker (2011) has noted that “a symptomatic reading of neo-normative texts reveals a certain anxiety that ‘illusionary’ freedoms might ultimately prove seductive” (p. 383). In this context, freedom around work is more like covert control than freedom per se.

5.1.2 Freedom through Work

*I enjoy this freedom very much, but I also perceive the dark side of it (LegalTech, Human Resources, M).

In addition to the freedom around work, LegalTech and InsureTech also provide freedom through work. With the discussion of freedom through work, I extended the neo-normative control theory, which mainly revolves freedom around work (Ross, 2004; Fleming, 2009; Fleming and Sturdy, 2009, 2011). However, I found that within neo-normative control, there is also freedom through work. At LegalTech and InsureTech, organizational members have considerable work autonomy regarding how, when, and where the work is performed. This means that work patterns are individual and self-controlled. Organizational members were traditionally controlled directly and have internalized this system. It serves as a reference frame to evaluate their workplace. The traditional control of commanding orders is a transparent and straightforward distinction between working time and leisure time. In this sense, working time is the time when employees have to do what they are told, and leisure time is the time when they can do what they want (Peters, 2013). At LegalTech and InsureTech, employees are confronted with the employers’ offer to give up commands and replace them with freedom and trust. It is demanded that organizational members can not only do what they want to do in their free time but also during working hours. LegalTech and InsureTech do not control directly but they set common goals for the employee and the company. A direct command is apparently no longer necessary in this case. The goal proves to be a real basis of trust: the superiors trust the employees that they work on their initiatives and what the organizations aim to achieve. If organizational members are determined by their own will, they are ultimately more productive and creative (Willmott, 1993; Maravelias, 2003; Fleming, 2009; Putnam, Myers and Gailliard, 2014). Only the goals matter, and it is no longer significant when, where, and how the employees reach their goals.
At LegalTech and InsureTech, organizational members see themselves as part of a group of people who share a common goal. The leaders mostly do not instruct what the employees are supposed to do; instead, key figures are set to achieve common goals and to satisfy customer needs. Through KPIs or OKRs, organizational members know what goals are being pursued, how their performance is aimed at the common goal, and what their colleagues expect from them. Task orientation is the key, and meeting deadlines is more important than the time required (see also Kamp, Lund and Hvid, 2011). Due to the clear goal orientation of the employees, LegalTech and InsureTech are able to adjust or redefine goals in the event of sudden market changes. Organizational members adapt their actions quickly to the new goals. The goals are also accompanied by the transfer of responsibility. Organizational members are responsible and empowered for achieving their goals. They develop a sense of ownership over their work. Malone (2004) has argued that the best way for employees to enjoy their work is to have responsibility. When members are responsible, they usually put “heart, mind and soul into it” in a way that they never would if they were just following orders (p. 47). In other words, work autonomy results in motivation and responsibility. Employees become accountable for their own performance and that of the organization (Fleming and Mandarini, 2009). Organizational members at LegalTech and InsureTech are motivated when it comes to achieving set goals and tasks. As many scholars have confirmed, there is an evident correlation between motivation and job satisfaction and its impact on work performance (e.g., Deci, 1971; Amabile, Dejong and Lepper, 1976; Gagné and Deci, 2005; Liu et al., 2011). The success of the performance is reflected in the degree of individual satisfaction. If particularly challenging goals are achieved, then satisfaction is also high. At the same time, satisfaction increases the motivation of organizational members to continue to meet the requirements and challenges of the organization in the future (Gagné and Deci, 2005).

The majority of the employees at LegalTech and InsureTech have deep individual conviction for the tasks and the organizations. For many employees, work is much more than just a job. They have a profound interest in the needs of the customer. They are motivated by the challenging task of satisfying these needs. Organizational members are convinced that the company is not just about making a profit, but that there is an important purpose to which the tasks are directed, that their company has a mission and that they want to be part of that mission. LegalTech and InsureTech create cults that attempt to make the work seem meaningful. They give employees important missions and tell them how important it is to make the customer happy. The customer-oriented performance is therefore a purposeful action, in which the goal is the satisfaction of the customer’s needs. It is notable that at LegalTech, the members see themselves as ‘Robin Hood.’
idealism and the passion for the customer lead the employees to the fact that the customer is the focus of all actions. This customer gives a deeper meaning to the action. The employees are convinced that dealing with the customers and their daily business is essential for the company. This viewpoint connects members because they share the same goal. There is a feeling of belonging as a ‘we’ coherence. Employees know that they are members of a mission. They also associate emotions (e.g., joy or pride) with this knowledge and act accordingly (e.g., defend the organization externally). LegalTech and InsureTech aim to create ‘one team.’ They give everyone a t-shirt and bag, create a culture code, and talk about the common goal. They provide free beer and foosball tables and have office designs between a playground and the design studio. All this leads to the employees identifying so much with the companies that they see the companies’ goals as their own. These are essentially mechanisms to regulate the identities of the employees. LegalTech and InsureTech use explicit practices of identity regulation, such as team exercises, slogans, and value statements, which are typically seen as a way for organizations to control their goals and introduce values and emotions (Alvesson and Willmott, 2002; Kozica et al., 2015; Bardon, Brown and Pezé, 2017). Kunda (1992) has argued that the ideal condition of responsibility and self-control is when the employer’s interest and employee’s interest are one.

When employees identify with the goals, traditional forms of control are no longer necessary because self-control is in place. Bureaucracy gives the impression that it reduces freedom, and when it disappears, the degree of freedom is increased. However, this is unfortunately not the case. The data provides practical proof that, in the end, it is not the bureaucratic control that is responsible for making organizational members work longer hours and work harder; it is rather the indirect control forms. It is a system of control that has pushed itself to the surface before the real problem. With the elimination of hierarchies, structures, rules, and processes, employees are freed from perceived control, but they are confronted with uncertainty. At LegalTech and InsureTech, organizational members are aware that centralization and formalization decrease their freedom, but they see the benefits of those approaches because they give them confidence.

*If you ask me what I’d like to change, I’d say a better balance between freedom and structure (InsureTech, Communication, M).*

Flat hierarchies and open communication can also be the reason for missing structures, and chaos is not uncommon. Short communication channels and quick decisions can lead to more work and a lot of pressure. If there are great opportunities to participate
and a high degree of personal responsibility, it often means learning by doing and as quickly and efficiently as possible. At LegalTech and InsureTech, executives delegate without any concrete order achievement. Employees often have to decide for themselves how they want to fulfil the task. The leaders argue that freedom often leads to the right solution. In this sense, the organizational members often lack a specific supervisor, which leads to confusion and possible power struggles among managers. They also feel more ambiguity in their organizations since they can be uncertain about their work expectations. This is why many organizational members want more structure and a clear job assignment. Walker (2011) has stated that neo-normative control “might also constitute a zone of vulnerability” (p. 383). Young employees cannot manage to avoid missing the structure because they lack work experience and confidence (Thompson and Gregory, 2012).

_Because of the fact that the people here are younger, therefore they have a little less work experience ... and therefore maybe they are a little insecure (LegalTech, Legal, M)._ 

Furthermore, the immediate proximity to the market also leads to uncertainty. Organizational members simply do not know whether the new product is well received and whether the technology works in practice. At LegalTech and InsureTech, there is a direct threat of dismissals for operational reasons, and organizational members do not know if the company will still exist in a few months. They have the decision-making power and uncertainty of entrepreneurs, even though they are employees (see also Webb, 2004). The employees are responsible for ensuring that the tasks are completed and that their company will remain in existence.

In this sense, LegalTech and InsureTech achieve organized behavior not by subordinating the will of the individual but by functionalizing the employee’s own will for the company’s purpose. This leads to self-control, as the employees are free to decide which action results (Friedman, 1977; Caldwell and O’Reilly, 2003; Hogan and Coote, 2014). However, many scholars have also noted that self-control can lead to more work and pressure (e.g., Kunda 1992; Willmott 1993; Miller and Rose 1995). Self-control implies organizational members applying ownership commitment to the organizational goal. The pressure that this puts on employees has an extremely paradoxical form: they have to organize according to the pattern of self-control and self-realization for the sake of their freedom and individuality; although, to a large extent, only the desire for social and economic security is likely to exist (Honneth, 2012). To cope with pressure, organizational
members at LegalTech and InsureTech look for different strategies, such as working voluntarily at night or on weekends. According to Krause (2015), self-control can have various negative effects. For example, negative effects of self-control can cause 1) inner conflict, 2) conflict between professional and business responsibilities, 3) control contradictions, and 4) pressure among colleagues. All of this has been observed at LegalTech and InsureTech. First, the inner conflict is increasing. Organizational members have conflicts with themselves that they used to have with others (e.g., with their direct superiors). At LegalTech and InsureTech, they work longer than the defined working hours to ensure the achievement of their goals. Second, organizational members have conflicts between professional and business responsibilities. In the challenge of continuously increasing goals (e.g., scaling of business or product expansions), the employees are more often confronted with overload situations, wondering where they are heading and how long the increasing amount of work can be managed. Third, although the companies allow work autonomy, elements of centralization and formalization still exist. This means that the two control principles are mixed, which can cause contradictions.

 [...] in some places there is criticism and the message ‘we need more structures’. There is not really a consensus there yet, in my opinion (LegalTech, Human Resources, M).

Fourth, by setting goals at the team and departmental level, organizational members are increasingly showing a personal interest in ensuring that their direct colleagues are highly committed or at least achieve the same level of performance, particularly if the employees are friends among each other. The pressure among colleagues is increasing and poor performers are not welcome at LegalTech and InsureTech.

In summary, self-control can lead to pressure and more work than what was agreed. In this sense, work autonomy at LegalTech and InsureTech has a downside. Putnam, Myers and Gailliard (2014) have argued that “the more autonomy that employees have, the harder they work, the more hours they devote, and the more that organizations control their lives” (p. 427). Hatch and Cunliffe (2013) have also confirmed this paradox and stated that when organizational members are allowed freedom through work, they end up sacrificing more self-interest to benefit the organization (Kunda, 1992). Freedom and control determine and force each other through the expectations of an effective performance of an ideal organizational member.
In addition, at LegalTech and InsureTech, organizational members are presented with slogans and metaphors, such as “[LegalTech] family” (LegalTech, website) or “one-team feeling across all levels” (InsureTech, website). However, the true self should be a part of the collective: “Be open and honest with others and with yourself” (LegalTech, internal documents). Different and somewhat non-concrete views of an organizational member’s role and the appropriate behaviors (“Work hard, play hard”), cognitions (“Being part of the [InsureTech] team means thinking new every day” [InsureTech, internal documents]), emotions (“you commit and keep promises” [LegalTech, internal documents]), and more remarkably, specific instances of their correct behaviors, are presented or implied. Organizational members are considered to be important to the company and are involved in the organizations. They often do not see a sharp separation between themselves and the company. They have ownership in what they do, and there are minimal formal processes. All of this results in responsibility and reliance on the idea that work is directly related to success and atmosphere. Fleming and Sturdy (2009) have achieved similar outcomes with their study of neo-normative control and stated that “[i]f an employee’s performance is failing, this is seen to be a problem with her own values, personality or identity more than insufficient commitment to the corporate norm” (p. 574). LegalTech and InsureTech have perfected the complex system of freedom and control. Their philosophies of control are manifold and strangely contain the self-control of the employees. In this sense, it is a logic of strengthening; the deliberate abuse of freedom is paradoxically a covert control. Freedom creates close ties between employees and their company, and employees are then responsible and committed to corporate goals.
5.2 Covert Control of Creativity

To achieve the goal of being creative, organizations use a complex system of control that resembles freedom. Workplace control is defined as mechanism by which management is able to initiate and regulate the execution of activities in such a way that their results correspond to the goals and expectations (Child, 2015). The perception of freedom is abused to execute a covert form of workplace control to manage creativity. In other words, freedom is a covert control of creativity. The creativity research has demonstrated that workplace control inhibits creativity (e.g., Amabile, 1998; Hirst et al., 2011; Grabner and Speckbacher, 2016) and freedom facilitates creativity, as it helps to improve self-determination and proactivity in the creative process (Ryan and Deci, 2000; Gilson and Shalley, 2004). Creativity is restricted by control and cannot not be controlled directly (Turnipseed, 1994; Zhou and George, 2003). When organizational members are given freedom to determine how, when, and where they perform the task, they become the creators of their work. This leads to intrinsic motivation, which is essential for creativity (Amabile et al., 1996; Eisenberger and Shanock, 2003; Dewett, 2007). As Malone (2004) has suggested, “if you give people the power to make their own decisions, they’ll be more prone to support you and more likely to donate their energy, creativity and dedication to your cause” (p. 162). Organizations have recognized that freedom is a necessary condition to be creative and that control hinders creativity. For this reason, organizations achieve their goal of ‘being creative’ by exploiting freedoms to control creativity.

Covert control is a combination of work-life-blending and self-control that has the same achievement as freedom for creativity in that it encourages motivation and the self-determination of resources (Amabile et al., 1996; Carmeli and Schaubroeck, 2007; Agars et al., 2012; Grabner and Speckbacher, 2016). Dacey and colleagues (1998, p. 116) have claimed that “an almost symbiotic relationship exists between creativity and self-control, in that one needs creativity in order to envision a plan or visualize the desired outcome.” Figure 5–3 reveals the concept of covert control of creativity.
At LegalTech and InsureTech, the organizational members feel responsible for being creative and seek the time and resources necessary to work creatively – even if it means being creative outside working hours. The workload is sometimes so high that there is no resources for creativity, as creative work rarely arises in situations involving pressure and stress (see also Ren and Zhang, 2015).

... they said you should invest 20% of your time in creative work. Yes, exactly, from 11–12 at night, or like that (LegalTech, Finance, M).

Although organizational members are aware of this problem, it does not change the fact that they use their free time for creative tasks for the company. Such distancing gives them the feeling that they can “see through” the mechanism of workplace control (Fleming and Spicer, 2003; Costas and Kärreman, 2013). By cynically distancing themselves from the task of being creative, they do not end up undermining and resisting it but supporting it instead. The perception of freedom remains, which is reflected in motivation and self-determination.

Motivation is the state that causes people to select a certain alternative action to achieve a certain result (Runco, 2012). Motivation leads employees to be creative and to think about solutions for organizational issues (Segler, 2000). LegalTech and InsureTech provide a culture in which organizational members identify themselves with the organizations and feel responsible for their work. They have environments that support freedom, which foster intrinsic motivation (see Ryan and Deci, 2000). As a result, they increase their free will and their personal contribution to the company. In other words, the members feel psychologically attached to the organizations (see also Hou et al., 2011). So that the organizational members internalize that creative work is significant, LegalTech and InsureTech ensure that employees have the potential to be creative and that they correspond to the values from the very beginning of recruitment. With specific questions and evaluation criteria, the candidates pass through a process that determines in the end whether they can be creative and whether they fit into the corporate culture. The employees are aware of this process and know that they and their co-workers are selected according to their creative potential. Researchers have also argued that there is a positive effect on organizational creativity with effective recruitment and personnel selection (e.g., Potočnik and Anderson, 2013). Meichenbaum (1975) found that when people believe that they can be creative, it can increase their creative output. Recruitment at both companies also has the goal that the employees harmonize for future creativity cooperation. The impact of harmony in teams on creative performance is extensively addressed
in research (Dolata and Schwabe, 2014). Team composition is a crucial factor in influencing creativity positively within an organization (Caldwell and O’Reilly, 2003; Barczak, Lassk and Mulki, 2010; Somech and Drach-Zahavy, 2011).

After recruiting, LegalTech and InsureTech promote creativity through activities, values, rules, or artefacts (top-down processes). To the same extent, based on appropriate socialization and cooperation, organizational members experience the degree of importance of creativity in the company (bottom-up processes). Tesluk and colleagues (1997) have mentioned a double effect in this context. Organizations seek to create a culture, and members influence the culture through their actions. Reckwitz (2012a) has argued that focusing on the permanent production of new ideas requires a secure framework of shared identities and values that encourage creativity. At LegalTech and InsureTech, the affiliations are so strong that employees see the corporate values as their own and internalize them. In addition, the close customer relationship aims to provide a purpose for work. Organizational members have the feeling that their tasks are meaningful and important. They devote their energy, time, talent, and knowledge in the face of internal and external pressures to ‘just get it done.’ Creativity is seen as being essential for reaching goals and satisfying customer needs. Organizational members are motivated and feel responsible for being creative, even in the face of high workloads and unrealistic goals. In other words, no matter what the timing is, they are motivated to achieve their goals. Additional tasks to be creative leads to a dilemma for the employees. High workload and time pressure can block creative thinking, and alternative solutions are not sufficiently considered (see e.g., Amabile, 1998).

The organizational members at LegalTech and InsureTech feel motivated and responsible for their work, so they search for the required resources to work creatively. The control system of the companies allows the self-determination of resources. Creativity needs time without pressure (Amabile, 1998; Holm-Hadulla, 2000; Mainemelis, 2001) and it does not work at the push of a button (Turnipseed, 1994; Runco, 2007). Creativity needs time and leisure, but the organizations force acceleration. Given the conditions of the market, time is a limited resource in the workplace. The higher the creativity pressure, the scarcer the resources are for generating new ideas, and the higher the abrasion of creative potential (Bröckling, 2007). At LegalTech and InsureTech, the high working pressure hardly allows sufficient resources for creativity. The employees are then confronted with the problem of obtaining resources elsewhere. Organizational members perceive this conflict as their own because they have self-control over their work. In addition, due to work-life-blending, the self-determination of resources becomes blurred.
Organizational members at LegalTech and InsureTech expand their resources for creativity by looking for time outside of regular working hours – on breaks, in the evenings, or even on the weekend. There are no reports, deadlines, or explicit control mechanisms in leisure time. This time belongs entirely to the employees. They make their own decisions instead of obeying orders. In other words, creativity needs freedom, and such freedom is reached outside the workplace. This can also be considered as Contributory Creativity or Proactive Creativity (see Unsworth, 2001) because individuals are driven by internal motivators and search for a solution of a specific problem or for novel problems to solve. They are creative of their own free will since no one orders this from them directly. Moreover, for creative work, reclusiveness and periods of timeout are necessary. Creativity also requires a calm, secluded atmosphere. Unstructured leisure time is often proposed to reduce pressure and promote the cognitive process of reflective thinking or incubation, which is considered central to creativity (Hélie and Sun, 2010; Richards, 2011). Schön (1983) has defined creative behavior as reflection-in-action, which alternates between involvement and detachment. Detachment is supported by time off the tasks. Research has also proven that providing resources for reflection and incubation in the workplace is often challenging because the behaviors appear inefficient to observers (Elsbach and Hargadon, 2006). Furthermore, Elsbach and Hargadon have also argued that when organizational members feel free of pressure or distraction, it promotes their states of psychological safety and has a positive effect on creativity. However, there is no guarantee that creativity emerges from unstructured free time (Maravelias, 2003). That is why organizational members of LegalTech and InsureTech initially work on measurable tasks that achieve the expected results during the working hours and seek to find creativity times elsewhere.

In leisure time, people usually experience a positive mood. The experience of positive emotions such as satisfaction, happiness, and joy can improve creativity (Isen, Daubman and Nowicki, 1987; Amabile et al., 2005). Over the past few years, scientists have found proof that the mood has a decisive influence on creative thinking (George and Zhou, 2007; Schmidhuber, 2010). Hemlin and colleagues (2008) have noted that individuals in a happy mood are more creative. Isen, Daubman, and Nowicki (1987) have also determined that positive mood states do increase creative behavior. They argued that positive moods “increase the tendency to combine material in new ways and to see relatedness between divergent stimuli” (p. 1130). Csikszentmihalyi (1996) has claimed that it is “freedom and playfulness that make it possible for leisurely thinking to come up with original formulations and solutions” (p. 338). At LegalTech and InsureTech, organizational members mostly engage in leisurely thinking after working hours. When organizational members
are separated from internal or external pressure and are able to express themselves in any way, they often enter their own “flow state” (Csikszentmihalyi, 1990a, p. 4). In the flow state, people are more creative and productive because they do not feel any pressure or distraction. They enjoy work and lose the sense of time. That may be the reason why organizational members of LegalTech and InsureTech perceive creative work in leisure time as positive. Employees were delighted to report that they developed a few ideas during their free time. At InsureTech, the product team created the Creative Coffee, which follows the meaning to create a positive atmosphere for creativity. The aim of these activities is to create creativity through fun, relaxing, and harmonious cooperation.

Moreover, at LegalTech and InsureTech, after-work-activities with colleagues are often combined with creative work. In such activities, Contributory Creativity or Proactive Creativity occurs, which results in different output forms. Developing ideas for the company in the evening with colleagues is enjoyable for the organizational members. Because most organizational members are friends, they enjoy spending evenings together, and when they develop ideas for the company, it does not feel like work to them. Madjar and colleagues (2002) have found that friends are important factors in predicting creative behavior. They have also argued that the positive mood enjoyed when spending time with friends makes a positive and significant contribution to creativity. Other studies have also suggested that support from friends or family has a direct impact on individuals’ creative outputs (e.g., Koestner et al., 1999). Previous findings have also shown that a uniquely positive correlation prevails between the intake of alcohol and creativity (Norlander, 1999; Holm-Hadulla and Bertolino, 2014). In other words, being together with friends, having fun, or even drinking can lead to a positive mood and the psychological safety to express creative behavior. The technology company Google led a two-year research project in which the results showed that psychological safety is the one distinction between creative and non-creative groups (Rozovsky, 2015). Employees at LegalTech and InsureTech feel safe to try new things, openly exchange ideas, and bring their authentic selves to work. Because outputs from after-work-activities do not have to be reported to the management, such meetings are used for experimentation. The friendships imply the extension and emphasis of control by stressing unity and togetherness. This leads to employees feeling responsible for their work and the work of their colleagues. The consciousness of distinguishing between work and leisure disappears almost entirely. In this sense, friends feel responsible to be creative when they meet.

The self-determination of resources is freedom for the organizational members, even if it occurs outside the workplace. They choose to be creative of their own free will. So
that ideas are expressed and covert control remains inherent, LegalTech and InsureTech seek to provide fun activities and appreciation for creativity that in turn have an encouraging effect on the system. Fun promotes creativity via openness, intrinsic motivation, and collaboration among team members (see e.g., Duncan, Smeltzer and Leap, 1990; Deal and Key, 1998). A workplace where playfulness and humor are allowed and jokes and laughter occur often is an indication of creativity-friendly organizations (e.g., Isaksen and Lauer, 2002; Isaksen and Ekvall, 2010). Plester and Sayers (2007) have discovered that when organizational members are playful, they express more creative behavior and share ideas. LegalTech and InsureTech offer various activities to create a more relaxed feeling automatically and naturally to express creative behavior (Isen, Daubman and Nowicki, 1987). Deal and Kennedy (1999) have argued that if a company provides fun at the workplace, then employees “will be more willing to commit themselves […] people will pour their hearts and souls into what they do […]” (p. 234).

Furthermore, LegalTech and InsureTech appreciate and reward employees for their commitment to be creative. Ideas are openly communicated, recorded on platforms and evaluated by different employees. The intention is to reveal the importance and social acceptance of creativity. The office designs of LegalTech and InsureTech support communication for the exchange of information and the presentation of ideas. The open-plan offices, the kitchen, and the ping-pong games promote the fast exchange of ideas. There is hardly any barrier for employees to present their ideas (see also Bains et al. 2007). Even the offices of the management are always open so that the employees can discuss solutions with management. Researchers agree that the office space has a positive influence on the creative behavior of organizational members (Hunter, Bedell and Mumford, 2007; Dul and Ceylan, 2014). Other scholars have suggested that the free exchange of information is crucial for creativity (Amabile, 1988; Woodman, Sawyer and Griffin, 1993; McLean, 2005). The appreciation of creative work also encourages employees to feel confident in expressing their ideas and promotes extrinsic motivation (Amabile, 1997a). Appreciation creates trust and facilitates organizational members in suggesting new ideas and solutions, asking questions, highlighting past mistakes, and proposing alternative perspectives without being afraid of negative consequences (Edmondson, 1999). This appreciation can conversely also mean that criticism is rarely voiced to avoid endangering motivation and a positive mood. Organizational members therefore avoid conflict and are less open to criticism. However, researchers have also argued that a certain openness to conflicts along with the courage to express criticism and provide constructive feedback, are necessary to produce novel ideas (see e.g., De Dreu, Baas and Nijstad, 2012). There is little criticism from InsureTech and LegalTech, as the
companies are very careful to increase their culture of appreciation to motivate members to encourage creativity.

In summary, motivation and self-determination of resources with appreciation of ideas causes organizational members to devote themselves in creative work. Employees are committed to the company, so they independently seek suitable resources to be creative. They see the company’s goals as their own and feel responsible for achieving them. Although the companies only proclaim, ‘be creative,’ employees see themselves as responsible for pursuing this goal. LegalTech and InsureTech have a complex system that, on the one hand, directly controls creativity and on the other hand, provides freedom for being creative. LegalTech and InsureTech attempt to systematically control creativity through idea platforms or workshops. The companies create their recruiting plans based on the assumption that they are going to hire creative and productive people. They define common goals to empower organizational members and transfer responsibility for creative work. The open and transparent communication of the company’s goals illustrates to employees that their creative work performance is directly related to the company’s success. Organizational members consider creativity to be important for achieving their goals. Shalley and Gilson (2004) have found that when organizational members believe creativity is important, they express often more creative behavior. LegalTech and InsureTech manage creativity through a covert control. The provided freedom results in work-life-blending and self-control, which in turn lead organizational members to seek the freedom needed for creativity. However, the employees rarely find freedom for creativity at the workplace. That is why they regularly shift creative time to breaks or after-work hours. In this sense, the organizational members dedicate their ‘free time’ to the companies. With this thesis, I confirm the findings of the creativity literature in the sense that freedom is necessary for creativity, but freedom and control are not mutually exclusive. Freedom can be a form of control to manage creative behavior.

Bröckling (2006, p. 518) has noted, “The appeal to be creative is no less paradoxical than the legendary appeal to be spontaneous. Creativity can neither be ordered into existence nor pressed into study plans or work contracts. One cannot command something indefinite.” This thesis contradicts this statement. Creativity can be ordered through freedom. The responsibility of being creative causes work to become ubiquitous. Having a beer with friends while generating some ideas, brainstorming during the lunch break, or reading books and developing ideas in the evening does not feel like work to the employees. For them, this is truly perceived freedom. However, it removes the strict separation between work and leisure. In this sense, freedom comes with a stigma because it can
conflict with the image of the ideal organizational members who are always available (Dumas and Sanchez-Burks, 2015). Many new ideas occur in night shifts outside of day-to-day business, but working at night consumes the health of the employees in the long run (Spreitzer, Cameron and Garrett, 2017). The work-to-non-work conflict increases the stress of always being creative. If organizational members are not creative, not only their superiors are dissatisfied, but also their colleagues, their friends. The pressure increases and with it the health risk, as there is hardly any distance and recovery (see also Kunda, 1992). Although freedom can provide benefits to the organizations in performing creative work, it also comes with costs. In a similar context, Perlow (1999) has highlighted that the conflict with work demands and time from the employees. She has determined that to manage the conflict, many employees choose to arrive early or stay late to obtain more time for work. Kunda (1992) has argued that “there is, however, an inherent conflict between the demands organizations place on the time and efforts of their members and the desires and needs of members when left to their own devices” (p. 11). LegalTech and InsureTech have solved this conflict. Freedom is popular idea to help organizational members from the trouble of traditional work patterns by encouraging a flattening of hierarchies, more empowerment, and more creativity. However, these ideas are forcing a new set of regulations on employees who are encouraged to equate processes of freedom with a well-defined commitment to corporate values and goals.
6 Conclusion

This thesis set out to explore, describe, and evaluate the reality behind the rhetoric of freedom and control within the context of creativity. The idea of providing more freedom is an organizational response to the overall market trends towards creativity and innovation (Kirstetter, Eagar and Roos, 2013; Amabile and Pratt, 2016; Beuk and Basadur, 2016; Mueller, 2017).

Controversially, the ethnographic exploration of two innovative start-ups demonstrated that these organizations exploit freedom in order to exercise control. In other words, freedom paradoxically becomes a covert form of control. This organizational practice challenges the existing understanding that freedom and control are opposites to each other (Brehm and Brehm, 1981; Baynes, 2007). This approach is particularly evident in the use of neo-normative control mechanisms to capture the hearts and minds of employees so that they will generate creativity that is in the organization’s interests. LegalTech and InsureTech combine the rhetoric of liberation management with traditional control mechanisms. Their cultures form the main element of control that they use to obtain a common commitment. The open culture increases flexibility and organizational ambiguity, and loosens behavioral controls, while also rigidly monitoring working behavior. These freedoms are offset by the organizations’ constant efforts to define and enforce the roles of their members and their employees’ self-control. The high identification with organizational goals permits freedoms, which are accompanied by the responsibility to be creative.

The nature of control does not fundamentally change within the framework of neo-normative control; it simply shifts its focus from rational structures, such as centralization and formalization, to value-oriented culture, and from the behavior of organizational members to their experience. It is concerned with the freedom of authenticity within stable social contexts. A work-life-blending occurs because the private self is taken into the organization and the merging of the physical and digital worlds offers a mobile always-on lifestyle, with flexible working places and times. The ‘work’ is intrinsically integrated into the private lives of the organizational members. People live when they work and work when they live. A ‘job’ is no longer seen as an obligation to earn a living, but rather as a fulfilling activity of which one is supposed to be proud. The concept of work has become more universal. Organizations have become hosts to their members and tend to function as equivalent to their friends and family: colleagues are friends or even roommates, the office can take on the features of a shared flat, and fun, parties and drinking
are part of everyday work. An ‘I-in-We’ feeling is created by the organization’s mission, which underpins the work with meaning. Organizational members make a sense in their work by developing not just *any* product, but by satisfying the needs of the customer. They feel responsible for the customers and therefore develop the product or services that the customers desire.

Direct control is therefore no longer necessary. Organizations control indirectly by stepping out of their management position and empowering employees. They reach their goals by unconsciously retaining the control processes. In order to enable organizational members to decide for themselves what is best from the management’s point of view, a corresponding environment of freedom and responsibility is created. After all, what organizational members want depends on the conditions under which they make this decision. This gives them a dual role: they are dependent employees and at the same time they jointly perform entrepreneurial functions. This ‘I-in-We’ structure remains unconscious and drives the employees to work longer than required by the collective agreement. They do not want to let their friends down, and they also expect them to work just as hard as they do to contribute to the organizational success. These tendencies to work extra hours also affect creativity due to the discrepancy between the ideal conditions for creative work and the workload. However, when the workload increases, the only way out of this dilemma is to find time that is free of external pressure. The idealistic assumption that the employee is creative at the ‘push of a button’ within normal working hours often turns out to be unrealistic. Creativity requires unpressured time to enable it to arise in the best possible way. Organizational members know this subliminally and plan both their own leisure time and that of their friends for creativity. They are creative during unpressured times, which often occurs outside of work hours. Intense pressure, overwork, deeply felt ambivalence about this way of life, and persistent difficulties in the integration of work and private life can be the constant companions of the requests to ‘be creative, now!’.

The fact that neo-normative control exacerbates pressure on workers is not an argument for more bureaucracy. As with all forms of control, the question arises as to which effects are sought: more creativity, more fun, more commitment or just more work. Neo-normative control makes it possible to introduce self-employment and entrepreneurial activity into dependent employment without the need to weaken power and ownership. This is intended to reproduce the performance dynamics of a self-employed entrepreneur, in the case of dependent employees, and to make it the main engine for increasing the productivity of an organization. Neo-normative control has strengths and weaknesses, for both the employee and the organization.
6.1 Contributions and Theoretical Implications

This thesis contributes to the scholarly debates on organizational theory and organizational creativity. It presents integrative research using different methods, perspectives and zoom levels in order to investigate the relationship between creativity, freedom and control. Following ethnographic research (Spradley, 1979; Van Maanen, 2011), I provide explanations for the practice of freedom and the control of creativity within organizations and I expand the existing theory of neo-normative control. By applying a neo-normative control theory within the context of creativity, I contribute a new perspective to creativity research. Thus, this thesis extends the creativity literature by using organizational theory to understand creativity in the workplace.

First, this thesis treats freedom within organizations in great detail in order to investigate perceptions of freedom with respect to creative behavior. The concept of freedom is simplified in creativity literature and is only considered in relation to the task. This research sheds new light on the understanding of how freedom leads to creativity within organizations. The findings involve a perspective of freedom through work, which involves the opportunity to decide the accomplishment of work. Organizational members have ownership and self-control over their work. Moreover, freedom can also include the expression of the authentic self, having fun at the workplace and building and maintaining relationships. Accordingly, freedom is complex and can be perceived in different forms. The thesis reveals that it is insufficient to consider freedom simply as a decision-making margin for tasks. Rather, freedom for creativity requires the interfaces of freedom around work and freedom through work. Creativity needs a comprehensive freedom that includes the task and the environment. Freedom for creativity also requires a stress-free and relaxed atmosphere, which can be strengthened by friends and fun. Management behavior and directions, formulated instruments, time pressure and high workload restrict the required freedom. Freedom does not have a positive effect on creativity at high workloads, or it is transferred to leisure time. Theoretically, it can be deduced from this when and whether the concept of freedom occurs at all in business. This provides a new perspective on freedom and creativity within organizations.

Second, the present research explores, for the first time, the effects of freedom as a form of control for regulating creativity. Within creativity research, control is often associated with centralization and formalization. This thesis fills a gap in the literature by examining control beyond these aspects. These forms of control are more complex and can evolve into the shape of freedom. As the research discourse suggests, freedom does
not imply emancipation from control, but rather an intensification of control. Freedom around work also serves as a form of control for strengthening the connection between work and private life. Freedom through work leads to the results in organizational members feeling so responsible that their willingness to perform extends beyond working hours. Freedom swings back to, or at least coincides with, a concern for responsibility and a creative solidarity. In addition, the thesis reveals that rational instruments can help organizational members to have resources for creativity. The thesis indicates that some of the organizational members are unable to deal with the freedom that they are given by their organizations, and that they wish for more rational instruments of control. If the theory of Barley and Kunda (1992) is followed, then it would appear that concrete organizational shifts are now occurring that require updated concepts of workplace control, particularly with regard to rationality and creativity. The conscious use of suitable structures causes freedom and creativity to lose their arbitrariness and contributes to the creation of a positive atmosphere for creativity. Instead of providing freedom and transferring responsibility, rational instruments can assist in creating a framework for creative work. This leads to an appreciation that freedom is not something positive per se, and that control is not necessarily negative for creativity, but that the right balance is decisive for creativity. The thesis demonstrates that freedom does not stand in contrast to control, as freedom can be a covert form of control. As Klausen (2010) has claimed, “creativity is both about breaking with norms and complying with norms. This doesn’t have to be a paradox [...]” (p. 355).

Third, this thesis makes a major contribution to research on neo-normative control by demonstrating freedom in the workplace. This detailed work offers a deeper understanding of the theory of how control is executed and how freedom is perceived. The broader concept of neo-normative control reveals that organizations use different forms of control, which include bureaucracy, market rationalism, and normative control. This thesis provides a detailed understanding of how the various elements interact with freedom. Bureaucratic control serves as a rational structure for standardizing processes. (Neo-)normative control has the goal of creating a shared identity with authentic selves, and market rationalism creates the organizational members’ responsibility towards the market. However, these forms are used in such a way that a high degree of freedom is permitted. This research also extends neo-normative control theory by investigating freedom through work. Indirect control is exercised by setting goals that enable organizational members to possess freedom and to transfer responsibility for their actions. Therefore, in addition to freedom around work, neo-normative control theory also includes freedom through work. The research also offers some important insights into how a culture of young start-ups is
built up, functions and contributes to the achievement of objectives as a form of control. The extended neo-normative control that focuses on creativity has created a concept for the analysis of the culture of start-ups. Although the selection of start-ups was based on theoretical considerations, it has been confirmed that young companies exercise neo-normative control.

In summary, the thesis offers a novel contribution and provides implications for creativity research by presenting an ethnographic research of neo-normative control. The creativity research is largely characterized by quantitative research or dictated by corporate culture or climate, while the application of an ethnographic research method offers a broader perspective of creativity within organizations. I am able to reveal how freedom forms a covert control for managing creativity. Moreover, I am able to gain insight into how and where creative work also exists outside the workplace. By using an ethnographic layout, this thesis highlights situation-specific, concrete and detailed elements of creativity within organizational settings. These include the social practices with which creativity is initiated, produced and visualized in this thesis, such as leisure time, fun and friends.
6.2 Practical Implications

In addition to its theoretical contributions, this thesis has several implications for organizational practice. Contemporary organizations face many complex challenges, which require them to look beyond traditional workplace control to manage creativity. In order to manage creative behavior, organizations need to consider the effects of different forms of control.

According to the findings, creating a freedom supportive organizational environment facilitates the development of harmonious passion among the organizational members. For a positive creative environment to exist, organizations need to encourage open communication, collaboration, fun, flexible working practices and self-determination. This encourages organizational members to take responsibility for and pride in their work. Organizational activities are intended to motivate employees and to ensure that they feel responsible for their work. Motivation leads to a high degree of engagement in identifying problems and finding solutions to them. The work of every employee includes both routine tasks and the task of being creative. Workplace control practices may involve bureaucratic forms that provide structure and frame organizational goals. However, bureaucratic control should only be used to a limited extent as it strongly restricts the perceived freedom. Normative control forms ensure that the social needs of the organizational members are satisfied and that they are emotionally linked to the organization. This creates motivation and commitment. Employees also need be allowed to bring their authentic selves into the organizations as this strengthens their perceived freedom. In addition, organizations may focus on the market in order to adapt to change. They need to open up to the market and place the customer at the center of their work. This means that organizations empower their members to enhance their organizational performance and adaptability. Taken together, the data indicate that organizations need to be slightly formalized, market oriented and have a strong organizational culture that is characterized by a bottom-line orientation, and entrepreneurialism. Thus, freedoms can be allowed that are conducive to creativity. Creativity is not something that can be directly ordered, but a liberating workplace can increase the intrinsic motivation of employees to work creatively of their own free will. Moreover, if employees are assigned a problem to solve, it must be ensured that they have a particular affinity for the topic or subject area. A specific interest promotes an intrinsic motivation for creative behavior, and freedom allows members to find creative ways to meet their own goals. However, a true creative environment includes the resources for creative work. The routine work needs to be designed so that
the organizational members are able to determine the activities and conditions for creativity.

Organizations need to understand that they cannot introduce the new and still maintain the old. If they expect the work and private lives of their members to blend with each other, and if their members need to deal with company-relevant topics outside working hours, then the organizations cannot simultaneously demand that the same members are back in the office 9 a.m. the next morning and that they stay until 6 p.m. Organizations will have to become more aware of the limitations of liberation management. Work-life-blending can have a future, but only if the blending works in both directions. For other employees, organizations need to think about an alternative and may find that the exact opposite: the ‘Work-Life-Structure.’ This is based on a distinct separation between work and life. Factors such as time out and regeneration are made possible by the work-life-structure and allow organizational members to regain a free mind. Relaxing leads to employees being creative and achieving more than when they would in the perpetual hurry of work-life-blending, with its never-ending projects.

Freedom remains important for the promotion of creativity within organizations. However, instead of merely giving freedom and responsibility, organizations should create a structure for creativity. Creative Coffee from InsureTech provides a model of such an approach. The thesis reveals that the Creative Coffee creates a similar atmosphere as creativity outside working hours. The fixed times provide a framework for the exchange of ideas, and the pressure-free atmosphere creates the necessary freedom for creativity. It is therefore advisable, for example, to only include 80% of employees in projects rather than 100%. Many of the world’s most innovative companies have used such a method. For example, at W.L. Gore – a company responsible for innovations such as Gore-Tex – employees are told to spend 10% of every week on creativity. At 3M, the organizational members are expected to spend 15% (Bains et al., 2007). The technology company Google used to provide for 20%, but they discontinued the format because they found that the employees are creative outside of working hours, and it was therefore not necessary to make them available during working hours (Schmidt and Rosenberg, 2014). However, organizations should free up resources so that employees do not have to work outside their specified working hours. Structures for creativity needs to start by hiring more people than required to fulfill the tasks that the organization needs to stay creative. In addition, should have the courage to provide inefficient working times for employees to express themselves creatively.
In summary, positive workplace control of creativity provides both freedom and structure for creative work. While freedom leads to organizational members being more motivated and committing themselves more strongly to their and the organization’s goals, a certain structure also helps to provide the requirements for creativity. Structure for creativity pays off through committed employees who use freedom sensibly rather than exploiting it, because they are trusted, valued and taken seriously. It reduces the chance of organizational members having to deal with work-related topics outside of their specified working hours. An organization needs to balance freedom and control, while also allowing the creative processes to be highly flexible, improvisational, and continuously changing.
6.3 Limitations and Future Research

Although this thesis sheds light on many new dimensions that are relevant to workplace control and creativity, it is not without its limitations. As important as the empirical analysis is, the report nevertheless presents a static picture of a dynamic phenomenon. This limitation partially reduces the transferability and informative value of the theoretical and empirical results, but it also justifies the need for future research. The fact that the thesis is still a relatively unexplored area of research means that there are many new and exciting questions to be answered. In this section, I outline the limitations of the thesis and my thoughts on future research.

One limitation is the terminology of freedom and creativity. In this thesis, I elaborated the concept of freedom philosophically in order to explain freedom in an organizational context. This is a broad concept, which was simplified to reduce the risk of excluding essential elements and to ensure an open and exploratory study. Furthermore, the thesis reveals how seemingly many types, typologies, and dimensions of freedom in organizations exist in the literature. More particularly, the concept of freedom is insufficiently outlined in the creativity literature. I therefore added various dimensions, some of which were related to existing concepts, while others were new. In addition, experience in the field indicates that people perceive and define freedom differently. Freedom is always a subjective reality (Brehm and Brehm, 1981). Organizational members have different perceptions of their workplaces, which means that the environment feels free for some while it feels controlled for others. For example, fun activities involve a feeling of freedom for some organizational members, while others feel compelled to participate in them. Particularly with regard to creativity, each individual’s perception of freedom can be different and can fulfill different prerequisites. The same issue also partially applies to the concept of creativity. Although creativity research provides a definition for creativity, it can also be interpreted differently (see e.g., Klausen, 2010). For many organizational members, creativity corresponds to the common definition (see Section 2.1 Creativity; Amabile et al., 1996), but for others it is only the implementation of an idea that is called creativity. My observations and my request for a definition at the beginning of the interviews enabled me to partially build a common understanding. However, this thesis once again demonstrates that “[creativity] has historically proven difficult to study” (Gross, 2015, p. 1). Researching creativity with regard to freedom remains an ambitious project.

Future research may develop in various directions. Firstly, it is necessary to define a common concept for freedom within organizations. Future research is required in order to understand how freedom exists, how it operates, and how it is exploited and perceived in
organizations. Freedom is always considered as the opposite of control, but when work and private life become increasingly merged, a clear terminology of freedom is necessary. More research is needed in order to better understand boundaryless work. It would be interesting to gain more detailed insights into how work is integrated into private life, both in general and, more specifically, in regard to creativity. This thesis has gained limited insight into creativity as an aspect of work-life-blending. Further research could investigate the requirements that need to be fulfilled within organizations if their members are to feel free to express creative behavior. Ethnographic and even autoethnographic studies may be helpful in such future research. Secondly, future research needs to deal with how to improve creativity in high-workload contexts in order to gain a better understanding of freedom and control. This requires researchers to look beyond the common assumption that freedom refers to a task, and that freedom still exists when the workload is high. Accordingly, it is necessary to investigate where freedom stops and where control begins in order to develop a better understanding of creativity in organizations. Thirdly, it would also be interesting to investigate the factors that organizations consider when implementing different control forms, which reduce freedom. One avenue for further research is to identify the control factors that can support freedom for creativity rather than hindering it. Future research is needed to investigate how an organization manages to change its ‘appropriate’ balance of control and freedom.

Another limitation lies in the character of the methodology. Although the thesis sought to investigate the overall relationship between creativity, freedom and control in organizations, the data originated from two ethnographic studies. Following neo-normative control research, I confirm that ethnography is an appropriate tool for the analysis of workplace control and creativity. However, the fieldwork may emphasize its shortcomings and potential for bias (Kunda, 1992). Ethnography is, by nature, a limited undertaking, and is characterized by a contrast between the demands of sensational efforts and rather modest returns. Chapter Three (Research Design) provides procedural information, and it introduces the issue of observer subjectivity into a consideration of the scientific process and its limitations. Meticulous care has been taken to compensate for the weaknesses through various methods, such as triangulation, but objectivity is nevertheless difficult to achieve. Although I adopted the role of an employee during the course of the field studies, and thus became part of the culture, I also remained the ‘creativity researcher’. Accordingly, my presence may have influenced members to express creative behavior. Hammersley (2006) has noted that, “we perhaps ought to ask whether context is discovered or constructed; and, if it is constructed, whether it is constructed by the participants or by the analyst” (p. 6). In addition, the data from the ethnographic studies
were collected in two innovative start-ups. It is important to recognize that these companies depend on creative work and that the findings do not necessarily reflect creativity in other contexts. Neo-normative control has been largely researched in IT, knowledge, and creative-oriented firms (Liu, 2004; Ross, 2004; Fleming, 2009; Walker, 2011). While these perform creative work, they are nevertheless dependent on control mechanisms for increasing efficiency. It can be questioned how well the heuristics and patterns described here match other organizations with other forms and strategies of control. Moreover, it is unlikely that the results can be transferred in contexts where creativity is not required. This raises the challenge of the context dependency of any study of creativity. This thesis has concentrated on creativity in professional contexts, and its research focus has not allowed a discussion of whether or not the results apply to artistic or informal creative behavior. Furthermore, the results presented here refer only to companies in Germany. Although the two start-ups employ a large number of people from different countries, dissimilar results may emerge in a different cultural context. In summary, the reported results may only be relevant to the context in which they were collected, and the nature of the research design renders the reproduction of the results particularly challenging. While some of the results reflect similar results from other studies, the novel contributions are based on two ethnographic studies, and the transferability and reproductive potential of these results is questionable. Therefore, confirmatory research is required. Firstly, further qualitative data should be collected in similar companies to confirm the results shown, and it would be interesting to investigate established companies that are not dependent on creativity. Secondly, the internationalization of the workforce will continue and it will therefore be of great interest for future research to align this research with that in other countries. Thirdly, the issue could be studied from the perspective of a quantitative researcher, who would investigate whether the results generate transferable propositions. The results are encouraging and should be validated by a larger sample size.

This thesis clearly has some limitations. Nevertheless, there is a great deal on the agenda for future research into the interfaces of creativity, freedom and control. As the employment relationship evolves, more theories will arise concerning how these changes affect work, how people feel about their work, what their work is, what role work plays in their lives, how freedom is perceived, and how creativity occurs.
6.4 Outlook

In a subject like creativity you cannot easily point to a person and demand that the person be creative (de Bono, 2013, p. 68).

It is not easy to instruct people to be creative, but a covert control system that is perceived as freedom manages to do so. The research into workplace control is only now beginning to understand how important freedom is if employees are to be creative. The theory of neo-normative control is a critical step towards understanding how organizations use freedom to execute control. Workplace control will change over the next few years, and it remains exciting to see how organizations are realizing their creative potential. Okhuysen and colleagues (2013) have argued that, “work and workplaces are constantly reorganized, reformed, and reconstituted such that the people doing the work, the arrangements around the work, the technology used in the performance of the work, and even the purpose of the work may change” (p. 492).

Some organizations do not always require creativity in all roles, but it remains the source of every organization’s efforts to adapt to change. If technology and the market are stable, then creativity becomes less important and efficiency more important (Kirstetter, Eagar and Roos, 2013). However, if organizations rely on creativity, they need to create a workplace in which employees have the freedom and the resources for creative work. Freedom is not meant to create pressure, but rather responsibility and motivation. When it comes to a creative endeavor, organizational members need to be able to freely play with the situation they face in order to develop ideas. Creativity as individual potential therefore represents the bridge between the individual human need for evolvement and the organization’s operational goals, which include gaining a competitive advantage, expanding its market share, and making a profit (Bröckling, 2006). Creativity is therefore both an individual and an economic growth factor. It feeds innovation and the more creative ability an organization has, the better its chances of success (Amabile and Pratt, 2016). Being ahead of the competition is undoubtedly an advantage, and in the race for customers and convinced supporters, the winner is the one who is faster, better, and more innovative (Beinhocker, 2006).

In order to achieve this, organizations need not only industry and market knowledge, together with product know-how, but they also need mechanisms for creativity if they are to meet the challenges of tomorrow’s competition (George, 2007; Anderson, Potočnik and Zhou, 2014; Martinaityte, Sacramento and Aryee, 2016). Creativity requires time, but the market forces acceleration. The market imperative of unleashed creativity
Conclusion

undermines the very conditions of its existence (Kruse, 2004; Bröckling, 2006). Anyone can be creative, but no one can be so all the time. When freedom is systematically reduced or functionalized as a catalyst for creativity, then the creative work and the creative self represents a “disenchantment” in Weber’s sense (Reckwitz, 2012b, p. 99). “If I were only free for a few days or weeks from the compulsion of having to constantly run new things, then I would certainly come up with really new ideas,” an employee might complain. Creativity is not scalable and cannot be produced at will. It depends on freedom, not on commands. Its inner preconditions make it obvious that creativity cannot be enforced, but that it must be allowed to appear (Bröckling, 2007). When freedom is abused, a systematization of creativity emerges, which is borne on the shoulders of the employees. Despite this, freedom and control can co-exist in the workplace. Paradoxically, organizations need to create structures for freedom in order to create a workplace that benefits the creative potential of both the employees and the organization.

The process of bringing creativity and control together is challenging. This does not mean that creativity ought to be accorded an inferior importance, but rather the opposite. It is more essential than ever to understand how creativity can be encouraged within organizations (Klausen, 2010). Ross (2004) has noted, “[A good job] is one of the most highly crafted of human inventions, and at times, it seems as if all history’s hardest knocks and sweetest yearnings have gone into its making” (p. 1). A good job involves balancing control and freedom so that organizations can exploit their creative potential to deal with future challenges.


# Appendix

The appendix includes the following documents: the interview guide, list of interviews and the coding scheme.

## I. Interviews Guide

The interview guide targets data on five clusters of variables, which the table Appendix–1 describes. All interviews were tape-recorded and transcribed. In general, the conversation followed an ethnographic interview guide (see Spradley, 1979).

Table Appendix–1: Interview Guide. Own table.

<table>
<thead>
<tr>
<th>Themes of the Interview</th>
<th>Questions</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Background data</td>
<td>Q1: What is your job description?</td>
<td>Kunda (1992)</td>
</tr>
<tr>
<td></td>
<td>Q4: Where have you worked before you joined […]?</td>
<td>Costas (2012)</td>
</tr>
<tr>
<td></td>
<td>Q5: How long have you worked in this organization?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q6: Would you say, […] is still a start-up? In what way?</td>
<td></td>
</tr>
<tr>
<td>Corporate culture, working life and collaboration</td>
<td>Q7: How would you describe the working atmosphere/culture?</td>
<td>McMullan and Kenworthy (2014)</td>
</tr>
<tr>
<td></td>
<td>Q8: What kind of elements does an ideal working environment have?</td>
<td>Amabile (1996a, 1997a, 1998)</td>
</tr>
<tr>
<td></td>
<td>Q9: What kind of collaboration is done between members?</td>
<td>Anderson and West (1998)</td>
</tr>
<tr>
<td></td>
<td>Q10: How is working here different to other places you have worked at before?</td>
<td>Isaksen, Lauer and Ekvall (1999)</td>
</tr>
<tr>
<td>Change</td>
<td>Q11: In what way has the company changed over the years? Has the opportunity for creativity increased or decreased?</td>
<td>Shalley, Zhou and Oldham (2004)</td>
</tr>
<tr>
<td>Creativity</td>
<td>Q12: How would you define creativity?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q13: What is your motivation to try new things? Can you give me an example where you were very motivated?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q14: What are the greatest perceived &quot;barriers&quot; to creativity? (What stops you from being creative?)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q15: What is your experience with the idea management?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q16: How does you support your team in being creative (trying new things out)? Can you give me an example?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q17: Where is the greatest opportunity for creativity?</td>
<td></td>
</tr>
<tr>
<td>Closing question</td>
<td>Q18: What’s one thing you would change about the company if you could?</td>
<td></td>
</tr>
</tbody>
</table>
II. List of Interviewees

Table Appendix–2 illustrates the interviewees within the organizations, which including their departmental affiliation and hierarchy level.

Table Appendix–2: List of Interviews. Own table.

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Company</th>
<th>Department</th>
<th>Hierarchy Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>16.02.2016</td>
<td>LegalTech</td>
<td>Human Resource</td>
<td>Manager</td>
</tr>
<tr>
<td>2</td>
<td>19.02.2016</td>
<td>LegalTech</td>
<td>Human Resource</td>
<td>Intern</td>
</tr>
<tr>
<td>3</td>
<td>19.02.2016</td>
<td>LegalTech</td>
<td>Human Resource</td>
<td>Manager</td>
</tr>
<tr>
<td>4</td>
<td>23.02.2016</td>
<td>LegalTech</td>
<td>Business Development</td>
<td>Intern</td>
</tr>
<tr>
<td>5</td>
<td>23.02.2016</td>
<td>LegalTech</td>
<td>Human Resource</td>
<td>Manager</td>
</tr>
<tr>
<td>6</td>
<td>01.03.2016</td>
<td>LegalTech</td>
<td>Marketing</td>
<td>Manager</td>
</tr>
<tr>
<td>7</td>
<td>01.03.2016</td>
<td>LegalTech</td>
<td>Marketing</td>
<td>Manager</td>
</tr>
<tr>
<td>8</td>
<td>08.03.2016</td>
<td>LegalTech</td>
<td>New Venture</td>
<td>Head of Department</td>
</tr>
<tr>
<td>9</td>
<td>11.03.2016</td>
<td>LegalTech</td>
<td>Information Technology (IT)</td>
<td>Manager</td>
</tr>
<tr>
<td>10</td>
<td>18.03.2016</td>
<td>LegalTech</td>
<td>Legal</td>
<td>Manager</td>
</tr>
<tr>
<td>11</td>
<td>22.03.2016</td>
<td>LegalTech</td>
<td>New Venture</td>
<td>Manager</td>
</tr>
<tr>
<td>12</td>
<td>22.03.2016</td>
<td>LegalTech</td>
<td>Information Technology (IT)</td>
<td>Team Lead</td>
</tr>
<tr>
<td>13</td>
<td>29.03.2016</td>
<td>LegalTech</td>
<td>Business Development</td>
<td>Manager</td>
</tr>
<tr>
<td>14</td>
<td>29.03.2016</td>
<td>LegalTech</td>
<td>Human Resource &amp; Sales</td>
<td>Head of Department</td>
</tr>
<tr>
<td>15</td>
<td>29.03.2016</td>
<td>LegalTech</td>
<td>Customer Care</td>
<td>Head of Department</td>
</tr>
<tr>
<td>16</td>
<td>01.04.2016</td>
<td>LegalTech</td>
<td>New Venture</td>
<td>Manager</td>
</tr>
<tr>
<td>17</td>
<td>01.04.2016</td>
<td>LegalTech</td>
<td>Legal</td>
<td>Manager</td>
</tr>
<tr>
<td>18</td>
<td>04.04.2016</td>
<td>LegalTech</td>
<td>Finance</td>
<td>Head of Department</td>
</tr>
<tr>
<td>19</td>
<td>04.04.2016</td>
<td>LegalTech</td>
<td>Business Development</td>
<td>Head of Department</td>
</tr>
<tr>
<td>20</td>
<td>08.04.2016</td>
<td>LegalTech</td>
<td>Finance</td>
<td>Manager</td>
</tr>
<tr>
<td>21</td>
<td>20.04.2016</td>
<td>LegalTech</td>
<td>Legal</td>
<td>Manager</td>
</tr>
<tr>
<td>22</td>
<td>22.04.2016</td>
<td>LegalTech</td>
<td>Not assigned to a specific department</td>
<td>Managing Director</td>
</tr>
<tr>
<td>23</td>
<td>27.04.2016</td>
<td>LegalTech</td>
<td>Not assigned to a specific department</td>
<td>Founder</td>
</tr>
<tr>
<td>24</td>
<td>08.06.2016</td>
<td>InsureTech</td>
<td>Customer Relationship Management (CRM)</td>
<td>Head of Department</td>
</tr>
<tr>
<td>25</td>
<td>08.06.2016</td>
<td>InsureTech</td>
<td>Product</td>
<td>Manager</td>
</tr>
<tr>
<td>26</td>
<td>22.06.2016</td>
<td>InsureTech</td>
<td>Human Resource</td>
<td>Manager</td>
</tr>
<tr>
<td>27</td>
<td>22.06.2016</td>
<td>InsureTech</td>
<td>Performance Marketing</td>
<td>Manager</td>
</tr>
<tr>
<td>28</td>
<td>25.06.2016</td>
<td>InsureTech</td>
<td>Product</td>
<td>Manager</td>
</tr>
<tr>
<td>29</td>
<td>29.06.2016</td>
<td>InsureTech</td>
<td>Product</td>
<td>Head of Department</td>
</tr>
<tr>
<td>30</td>
<td>01.07.2016</td>
<td>InsureTech</td>
<td>Not assigned to a specific department</td>
<td>Managing Director</td>
</tr>
<tr>
<td>31</td>
<td>07.07.2016</td>
<td>InsureTech</td>
<td>Performance Marketing</td>
<td>Manager</td>
</tr>
<tr>
<td>32</td>
<td>08.07.2016</td>
<td>InsureTech</td>
<td>Communication</td>
<td>Manager</td>
</tr>
<tr>
<td>33</td>
<td>18.07.2016</td>
<td>InsureTech</td>
<td>Business Intelligence (BI)</td>
<td>Head of Department</td>
</tr>
<tr>
<td>34</td>
<td>14.07.2016</td>
<td>InsureTech</td>
<td>Not assigned to a specific department</td>
<td>Managing Director</td>
</tr>
<tr>
<td>35</td>
<td>14.07.2016</td>
<td>InsureTech</td>
<td>Customer Relationship Management (CRM)</td>
<td>Manager</td>
</tr>
<tr>
<td>36</td>
<td>15.07.2016</td>
<td>InsureTech</td>
<td>Communication</td>
<td>Manager</td>
</tr>
<tr>
<td>37</td>
<td>15.07.2016</td>
<td>InsureTech</td>
<td>Performance Marketing</td>
<td>Head of Department</td>
</tr>
<tr>
<td>38</td>
<td>20.07.2016</td>
<td>InsureTech</td>
<td>Finance</td>
<td>Head of Department</td>
</tr>
<tr>
<td>39</td>
<td>22.07.2016</td>
<td>InsureTech</td>
<td>Information Technology (IT)</td>
<td>Manager</td>
</tr>
<tr>
<td>40</td>
<td>28.07.2016</td>
<td>InsureTech</td>
<td>Support</td>
<td>Head of Department</td>
</tr>
<tr>
<td>41</td>
<td>03.08.2016</td>
<td>InsureTech</td>
<td>Not assigned to a specific department</td>
<td>Managing Director</td>
</tr>
</tbody>
</table>
III. Coding Scheme

The following overview comprises the codes and code descriptions that are used to analyze the data. Table Appendix–3 (pp. 227–229) reveals the code scheme of the selective coding.

Table Appendix–3: Code Scheme. Own table.

<table>
<thead>
<tr>
<th>Code System</th>
<th>Code Description</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>System of Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bureaucratic Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management behavior and direction</td>
<td>General: Code if the management decides how to execute the tasks. This could be the case, for example, if the manager determines the work of the organizational members by decision.</td>
<td>2402</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if the supervisor directs creativity or hinders creativity through their delegations. This could be the case, for example, if the supervisor advocates the expression of ideas or rejects ideas.</td>
<td>873</td>
</tr>
<tr>
<td>Formalized instruments</td>
<td>General: Code if the organization defines processes, structures or instruments. This could be the case, for example, if operations are set to achieve a particular end. This also includes methods for standardization to maximize compatibility, interoperability, and efficiency. This could also be the case, for example, if the organization defines goals which are fragmented down to the individual work order.</td>
<td>163</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if the organization determines specific processes, structures or instruments for creativity. This could be the case, for example, if goals influence creative behavior.</td>
<td>130</td>
</tr>
<tr>
<td>Normative Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring people who fit into the culture</td>
<td>General: Code if the organization determines specific recruiting or hiring processes. This could be the case, for example, if procedures are defined to select the right candidates (person-organizational culture fit).</td>
<td>1241</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if the organization attaches particular importance to employ creative people. This could be the case, for example, if specific questions that test the creative potential is asked during the interview.</td>
<td>126</td>
</tr>
<tr>
<td>Culture of openness</td>
<td>General: Code if the organizations attach particular importance to evaluate and share information, combined with a physical office space that supports collaboration and open conversation. This could be the case, for example, if the organization promotes open and transparent communication and honest feedback to increase productivity and trust.</td>
<td>268</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if organizational members can address problems and ideas directly. This could be the case, for example, if organizational members communicate their ideas openly.</td>
<td>83</td>
</tr>
<tr>
<td>Identification with values</td>
<td>General: Code if organizational members identify with the organizations. This could be the case, for example, if organizational members see themselves as we’ or view the organizational values as their own.</td>
<td>241</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if identification with the organizations is expressed in creative behavior. This could be the case, for example, if organizational members identify with the value of creativity.</td>
<td>302</td>
</tr>
<tr>
<td></td>
<td></td>
<td>221</td>
</tr>
</tbody>
</table>
Table Appendix–3: Code Scheme (Continued). Own table.

<table>
<thead>
<tr>
<th>Code System</th>
<th>Code Description</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Forces</td>
<td></td>
<td>288</td>
</tr>
<tr>
<td>Customer expectations and feedback</td>
<td>General: Code if the organization puts the customer in the center of their goals. This could be the case, for example, if the organization is in constant exchange with the customer, who determines how the product or service should look.</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if creativity is required to meet customer demands. This could be the case, for example, if ideas are developed and later tested on the customer.</td>
<td>82</td>
</tr>
<tr>
<td>Competitors and investors pressure</td>
<td>General: Code if competition and/or investors influence the organization’s orientation. This could be the case, for example, if competition, evaluated to react to changes.</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if competitive pressure or investors encourage or hinder creativity. This could be the case, for example, if ideas are developed to respond to competition.</td>
<td>57</td>
</tr>
<tr>
<td>Practice of Freedom</td>
<td></td>
<td>2115</td>
</tr>
<tr>
<td>Work Autonomy</td>
<td></td>
<td>823</td>
</tr>
<tr>
<td>Self-determination of activities</td>
<td>General: Code if organizational members have the freedom to decide what and how they work. This could be the case, for example, organizational members determine the approach to complete a task.</td>
<td>241</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if organizational members have the freedom to be self-determinedly creative. This could be the case, for example, if they determine how they solve a task creatively.</td>
<td>197</td>
</tr>
<tr>
<td>Self-determination of conditions</td>
<td>General: Code if organizational members have the freedom to decide the condition of executing the tasks. This could be the case, for example, if organizational members choose when to do their work.</td>
<td>215</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if organizational members have the freedom to determine when they are creative. This could be the case, for example, if organizational members create self-determined times to develop ideas.</td>
<td>170</td>
</tr>
<tr>
<td>Authenticity</td>
<td>General: Code if organizational members have the freedom to live out their authentic self. This could be the case, for example, if the private self of the organizational members is shown in the organization but also if the organization is present in the private environment.</td>
<td>591</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if private selves of the organizational members influence the creative behavior. This could be the case, for example, if they are creative in their private time.</td>
<td>151</td>
</tr>
<tr>
<td>Humor and laughter</td>
<td>General: Code if organizational members have the freedom to express their humorous side. This could be the case, for example, if organizational members laugh at the workplace.</td>
<td>189</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if the expression in humor influences creative behavior. This could be the case, for example, if organizational members express crazy or wild ideas while having fun.</td>
<td>134</td>
</tr>
</tbody>
</table>
Table Appendix-3: Code Scheme (Continued). Own table.

<table>
<thead>
<tr>
<th>Code System</th>
<th>Code Description</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community</td>
<td></td>
<td>701</td>
</tr>
<tr>
<td>Participation in fun activities</td>
<td>General: Code if organizational members take part in fun activities at the workplace and if they receive incentives outside of their salary. This could be the case, for example, if organizational members do not only concentrate on their work but have fun elsewhere.</td>
<td>225</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if organizational members are creative during fun activities. This could be the case, for example, if fun activities influence the creative behavior.</td>
<td>140</td>
</tr>
<tr>
<td>Amicable working relationship</td>
<td>General: Code if organizational members maintain intensive relationships with each other. This could be the case, for example, if they refer to their colleagues as friends</td>
<td>189</td>
</tr>
<tr>
<td></td>
<td>Creativity: Code if friendships influence the creative behavior. This could be the case, for example, if friends generate ideas together.</td>
<td>147</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>4517</td>
</tr>
</tbody>
</table>
Danksagung

An dieser Stelle möchte ich meinen besonderen Dank nachstehenden Personen entgegenbringen, ohne deren Mithilfe die Anfertigung dieser Dissertation niemals zustande gekommen wäre:

Mein Dank gilt zunächst Frau Prof. Dr. Katharina Hölzle, meiner Doktormutter, für die Betreuung dieser Arbeit, der freundlichen Hilfe und der vielen inspirierenden Ideen, die mir einen kritischen Zugang zu dieser Thematik eröffnete. Die zahlreichen Gespräche auf intellektueller und persönlicher Ebene werden mir immer als bereichernder und konstruktiver Austausch in Erinnerung bleiben. Ich habe unsere Gespräche stets als Zuspruch und Motivation empfunden.

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Besonders möchte ich an dieser Stelle meinen Eltern Marina und Wolfgang und meinen Brüdern Florian und Felix für die unermüdliche Stärkung und Motivierung danken, sowie für das stets offene Ohr für meine Gedanken. Vor allem ihr moralischer Beistand und der Halt, haben mir Kraft und Mut zur Anfertigung und Vollendung meiner Dissertation gegeben.