

IHRM WEBINAR SERIES



The Invisible Dimensions of Human Resource Management

We will start shortly...

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SFU

**BEEDIE SCHOOL
OF BUSINESS**

CENTRE FOR GLOBAL
WORKFORCE STRATEGY

CIHRS
Center for International
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PART I INFORMALITY

What is informality? https://www.in-formality.com/wiki/index.php?title=Global_Informality_Project



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1 Intuitively 'informality' refers to:

- relationships that are not formalised or that take place outside formal contexts;
- relaxed or casual manners in the absence of protocol;
- under-the-radar practices that resist articulation in formal, or dominant, discourses (mundane, routine, unimportant)
- non-regulated, or local, ways of getting things done that precede formalisation;
- what works, when the formal doesn't

2 Intertwined with formality (E.Goffman; B.Mizstal 2000)

Tensions between these constitutes the focus of inquiry

Informality

Formality

Face-to-face, intimate relationship

Impersonal, transparent and explicit

Personal modes of social control

Social distance and structures of power

Reliant on tacit knowledge

Reliant on official and legal roles

Private

Public

Communal

Contractual

3 As a concept, informality has history,

rather than definition (https://www.in-formality.com/wiki/index.php?title=The_informal_view_of_the_world)

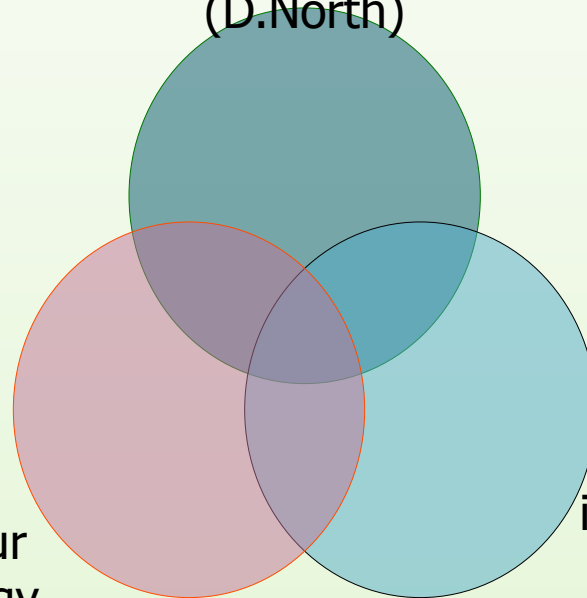
- Keith Hart, first typology of the informal sector in urban labour markets (1972 ILO report)
- Categorisations such as self-, multiple- and casual labour in the 'Third World' opened up 'informality' for measurement and aid
- Informal sector was discovered in the 'First World': cheats at work, dock pilferage, fiddling, part-time crime and occupational deviance.
- The 'Second World' followed: second economy in Soviet Georgia, various shades of the 'coloured markets' in the Soviet Union and Eastern Europe.
- 1990s, informal economy in transitioning societies

4 Perspectives on the formal/informal interaction:

- Normative: good/bad informality, top/down, prescriptive (participants are not given a voice)
- Residual: formality/informal, co-existent (priority is given to the formal)
- Hybrid concepts (corrupt network, social capital)
- Symbiotic: in/formal, yin/yang, co-dependent (balance between formal and informal)
- Inductive: bottom/up, language of the participants, descriptive (the formal is taken as a given and the focus is on the informal)

5 Key discipline-based concepts for capturing the 'invisible' middle

Institutions
 Regulating informal behaviour
 Political science
 Social norms as informal constraints
 (D.North)



Practices
 Embodying
 informal behaviour
 Social Anthropology
 Weapon of the weak, strategies of survival
 (J.C.Scott, P.Bourdieu)

Networks
 Enabling
 informal behaviour
 Sociology
 Strength of ties and network analysis
 (M.Granovetter)

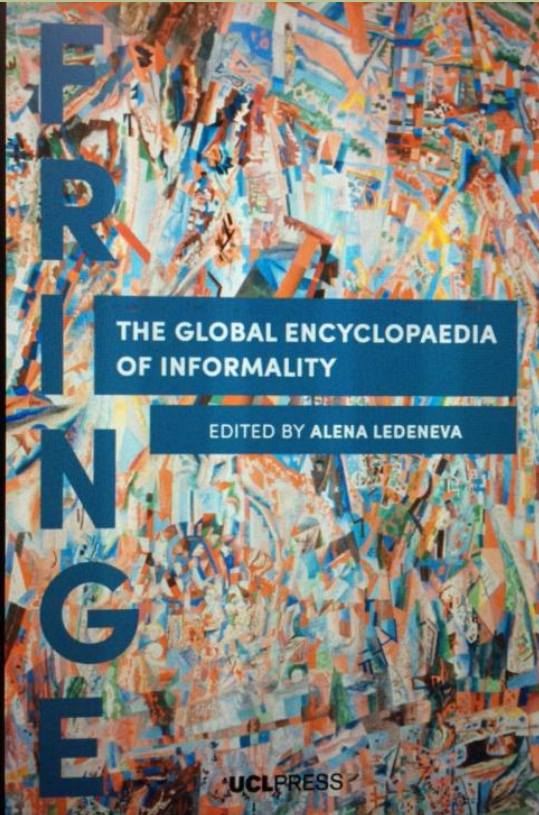
INF



FRINGE



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www.in-formality.com

- Given the cross-discipline and cross-area nature of the Global Informality Project (GIP), we refer to the world's open secrets, unwritten rules and hidden practices as '**ways of getting things done.**' Informal practices may escape articulation in official discourse, but they capture the 'know-how' of what works **in the vernacular (language of the participants).**

Assumptions become questioned:

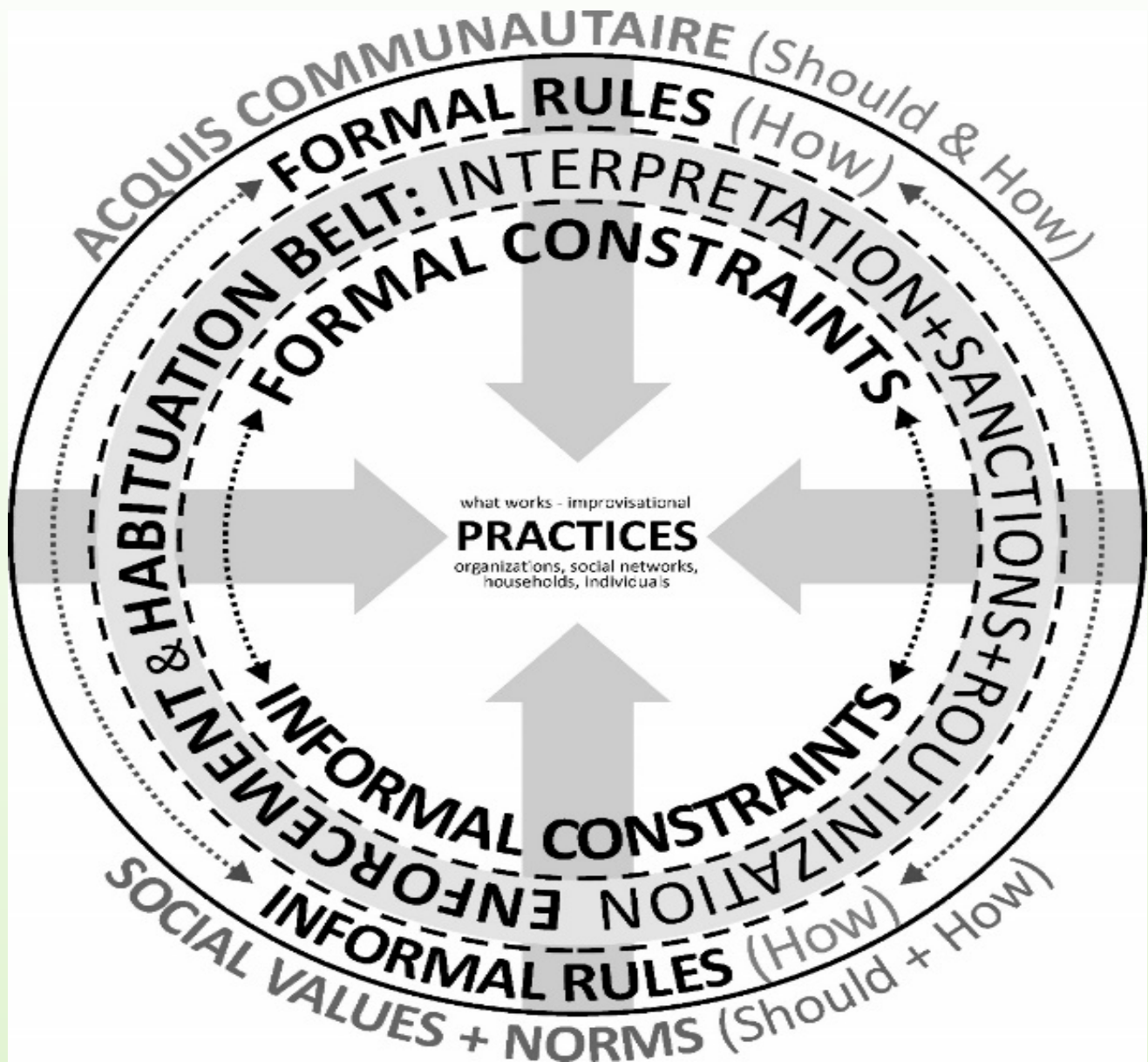
- Poverty, underdevelopment, global South, oppressive regimes, or former socialist countries.
- GIP findings:
https://www.in-formality.com/wiki/index.php?title=Main_Findings

PART II

CONTEXT-SENSITIVE COMPARISON AND INFORMAL GOVERNANCE (FP7 ANTICORRP: MAPPING INFORMALITY)



First quantitative data: H2020 INFORM: Closing the Gap between formal and Informal Institutions in West Balkans (model of the interaction of formal and informal constraints within institutional contexts)



DFID-British Academy: Qualitative analysis of historical or geographical contexts highlights both universal and specific patterns that underpin informal practices

Some patterns can be found in every period, if under a different name, some appear temporal

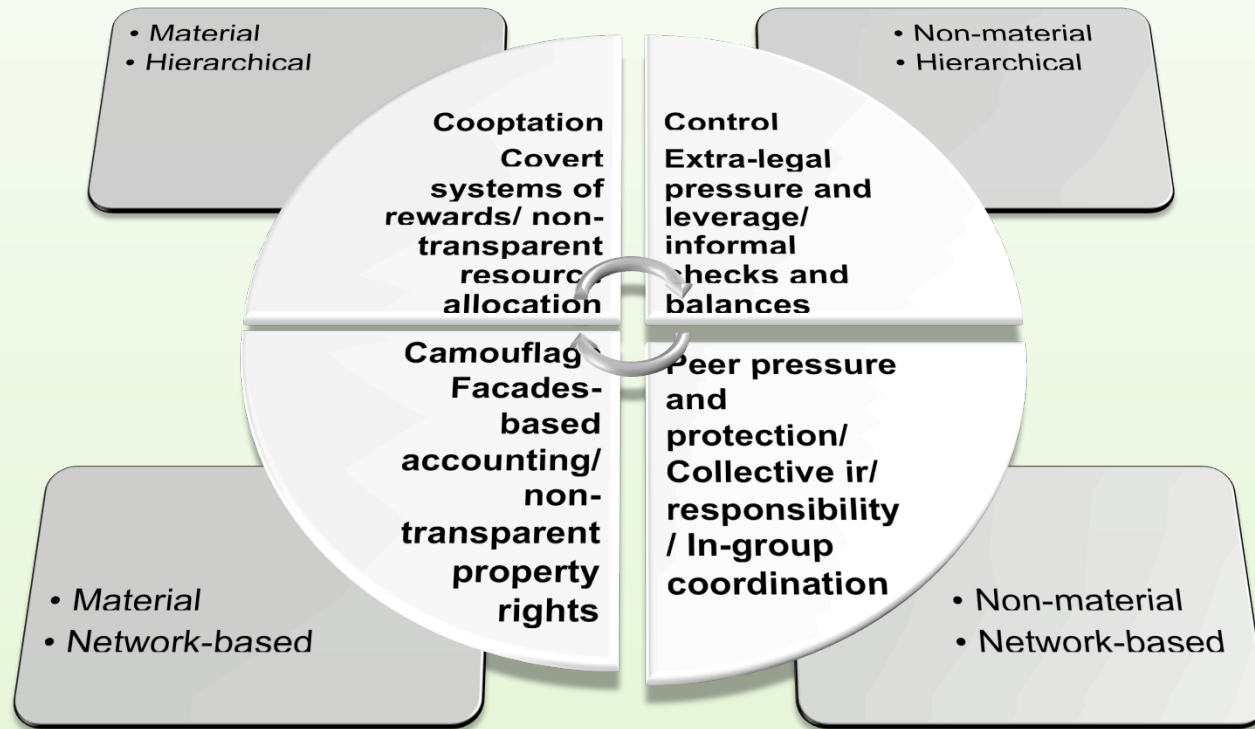
- Vertical **co-optation** of 'feeding' (*kormlenie, kormushki, inner circle, parashutisty*)
- Circular and peer-based **control** of 'joint (ir)responsibility' (*krugovaya poruka*)
- **Camouflage** pattern of 'misreporting' (*Potemkin villages, pripiski, ochkovtiratel'stvo, creative accounting*).

We have identified similar patterns in Mexico, Tanzania and East Africa, and more generally, around the globe. 3C Model of informal governance (Baez-Camargo & Ledeneva 2017; see also Christiansen and Neuhold 2012)

DFID-Global Witness Project/ ACE Programme

Ideal types of the informal governance incentives

(Each C – Cooptation, Control, Camouflage and Coordination – can be analysed in a top-down, peer-to-peer, and bottom-up dimensions)



The informal governance model has implications for the HRM

- Cooptation corresponds to recruitment and selection based on trust, reciprocity, loyalty or kinship.
- Control refers to performance management (control mechanisms such as demonstrative punishment, blackmail, peer pressure or social sanctions); compensation (e.g., feeding practices such as providing exploitable positions in public offices); and training and development (mentoring, job rotations).
- All these practices may be camouflaged to protect the informal redistribution of resources among network members (Muratbekova-Touron & Umbetalijeva 2019).

Co-opting with a position or a reward, UCL but also a hook



Cooptation ensures access to resources and some immunity, but also entails limited rights, lock-in effect and loss of independence



Peer-to-peer control can both support and subvert organisations; networks include but also exclude



Camouflage patterns work in both directions: they protect and enable, but also create vulnerability



GIP offers a unique collection of invisible practices and reveals the centrality of ambivalence for their modus operandi

- Why is it so difficult to work with informality? Informal practices are not only omnipresent and amorphous. They are often invisible, resist articulation and measurement, and hide behind paradoxes, unwritten rules and open secrets.
- They are context-bound and complex, but the greatest challenge for researchers is their ambivalence.
- Like a quantum particle, we find them in two modalities at once: informal practices are one thing for participants and another for observers;
- They support but also subvert formal frameworks.

Ambivalence of informality is not about duplicity or ambiguity. Similar patterns are observable in a physical world:

- In medical science, breathing is not seen as producing synthesis: the repetition of inhale-exhale is the pattern that also possess some capacity for cure
- In brain science, patterns of engaging left and right hemispheres can be mapped and ambivalence is empirically registrable
- In psychology, there is a notion of emotional ambivalence (experiencing opposite emotions at the same time)
- Computer code 01 is fundamental for programming just as uncertainty principle for quantum physics.

Four types of ambivalence and their implications for the analysis of complexity

(<https://www.in-formality.com/wiki/index.php?>)

Types of ambivalence of informal practices	Modus operandi	Implications for analysing complexity	The continuum that proved useful in understanding grey zones and blurred boundaries	Associated concepts
Substantive ambivalence	Doublethink: relationship vs use of relationship	Multiple categorisation, impossibility of 'either-or' oppositions	From sociability to instrumentality in social relationships	Gift, Favour, Transfer, Transaction, Tribute
Normative ambivalence	Double standards: what we allow ourselves vs what we accept from another, denying but also practising	Multiple identities, Multiple moralities, Norms are contextual, Us and them are context-bound	From strong ties to weaker forms of solidarity	Identity, Solidarity, Particularism, Resistance capacity
Functional ambivalence	Double deed: supportive vs subversive in dealing with constraints that shape practices	Ambivalent functionality relativises 'good'/'bad' qualifiers	From need to greed in personal consumption	Survival strategies, Gaming the system, Part-time crime, Parallel societies
Motivational ambivalence	Double purpose: declared vs hidden agendas in co-optation and control	The public/private borderline is porous and contextual, Motive is camouflaged as its opposite, Co-optation and control are co-dependent	From co-optation by carrots to control by sticks, From material to non-material, From codified norms to oral commands	Patron-client relations, Power networks, Informal governance

ambivalence across the spectrum of social, economic and political domains:

- They are used by the state and in this sense the state is reliant on them;
- They co-opt but also control – they enable and empower but also limit and restrict, they restrict but also empower;
- They rely on the existing double standards and the gap between formal rules and informal norms, grey zones, shifting practical norms and non-articulated control mechanisms.
- The patterns of informality in a way constitute the know-how, or an open secret, of different political, economic and social systems.

PART III

LEADING THE GLOBAL INFORMALITY PROJECT



Informality:

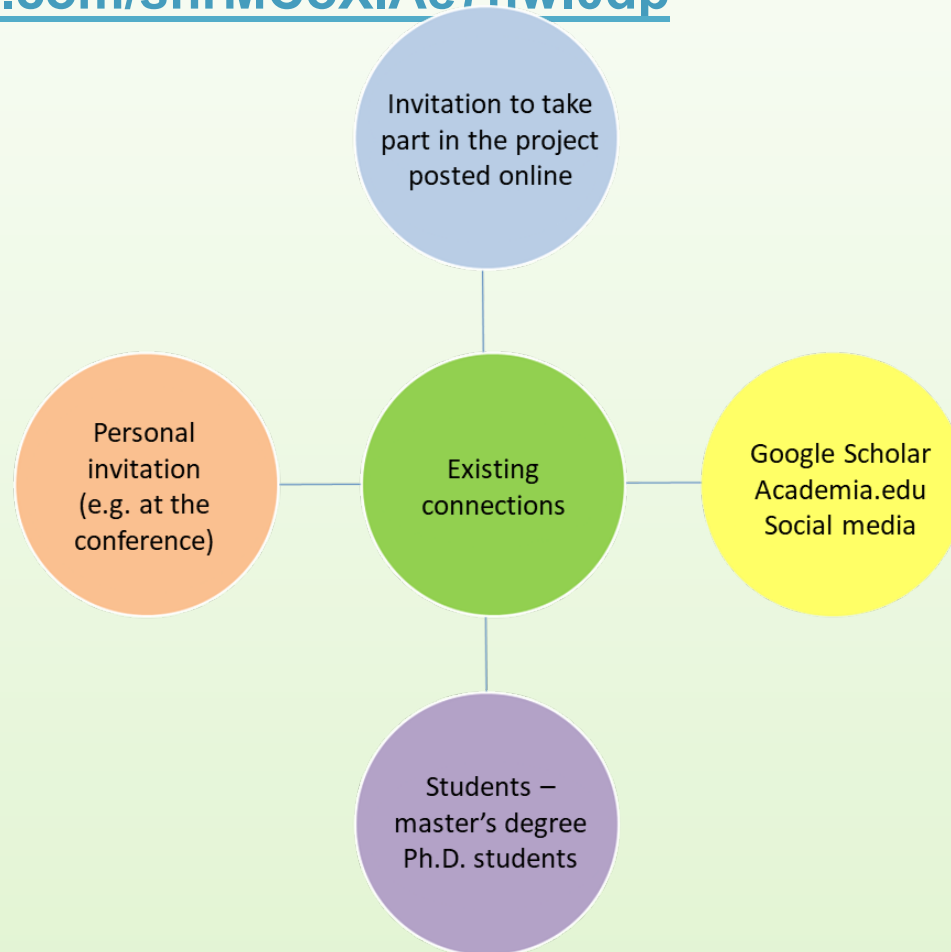
- questions assumptions on informality with reference to corruption, poverty and development, identity, morality and oppressive regimes;
- highlights the role of ambivalence (impossible to categorise informal practices clearly) and complexity in the workings of human societies;
- identifies types of ambivalence;
- improves our understanding of the workings of the fringes, grey-zones and blurred boundaries;
- reveals the potential and the limitations of informal strategies for problem-solving in the duration of human life.

Methodologically, *The Global Encyclopaedia of Informality*:

- Illustrates the potential of ‘network expertise,’ arising from diverse discipline and area angles on practices.
- Promotes cross-disciplinary perspective
- Benefits from cross-area comparative perspective
- Creates possibility of ‘context-rich comparison’ whereby similar patterns can be compared without losing the richness of their context.
- Bottom-up approach to structuring (what are these practices a case of?) allows to illustrate blurred borders between sociability/instrumentality; enabling/constraining norms; supportive/subversive functionality; public/private spheres

invites contributions from all over the globe:
Become an author, suggest an angle or add an
informal practice we need to include in the GIP

at <https://airtable.com/shrMCoXIAe7hwl0dp>



- Ledeneva, Introduction to *The Global Encyclopaedia of Informality*: https://www.in-formality.com/wiki/index.php?title=The_informal_view_of_the_world
- Ledeneva, A. V., 2015, 'The Ambivalence of Blurred Boundaries: Where Informality stops and corruption begins?' *Perspectives* 12, hiver 2014-2015 p.19-22. Full URL: <http://rfiea.fr/articles/ambivalence-blurred-boundaries-where-informality-stops-and-corruption-begins>
- Ledeneva, A. "Open Secrets and Knowing Smiles," *East European Politics and Society*, 25(4), November 2011.
- *The Global Encyclopaedia of Informality* is in Open Access and free to download:
Vol 1: <http://www.ucl.ac.uk/ucl-press/browse-books/global-encyclopedia-of-informality-i>
Vol 2: <https://www.ucl.ac.uk/ucl-press/browse-books/global-encyclopaedia-of-informality-ii>
Vol 3 Open Call <https://mailchi.mp/270602a16aa2/global-informality-project-newsletter-no-16>

Q&A

'blat'

1998

grassroots

everyday

Soviet

'kompromat'

2006

professional

politics and business

post-Soviet (1990s)

'sistema'

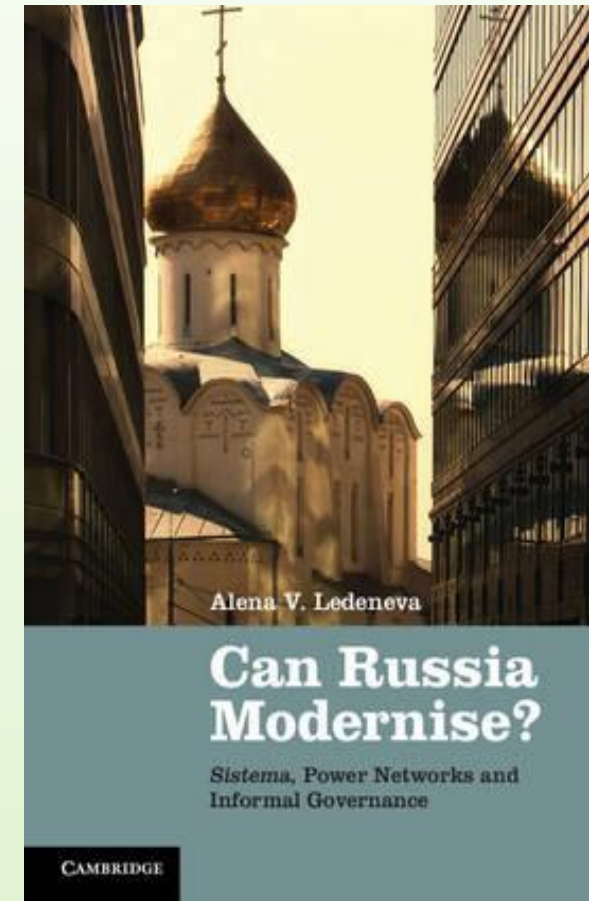
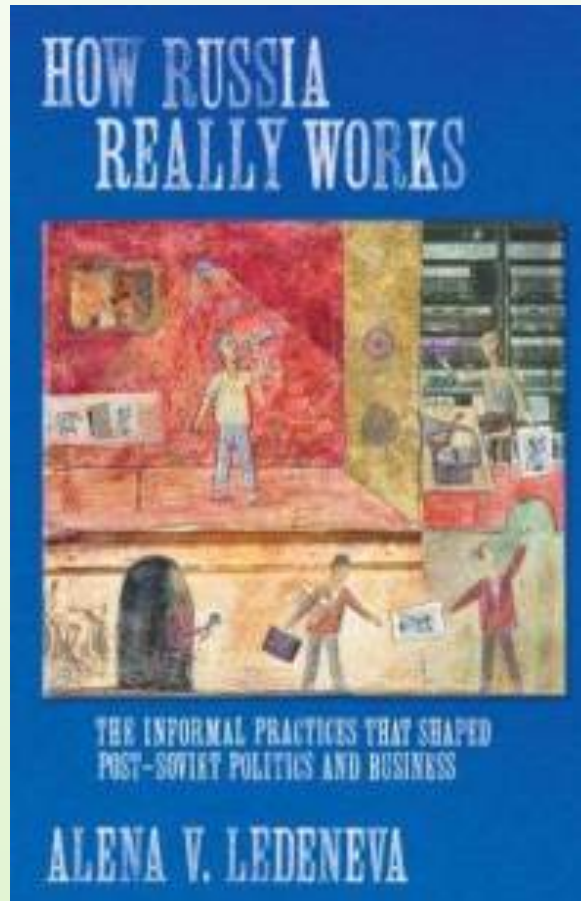
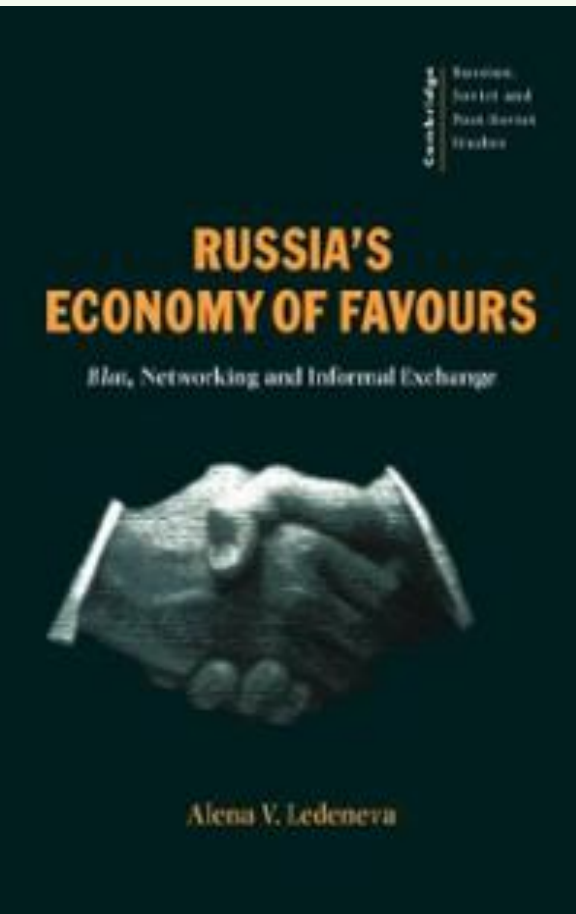
2013

power networks

Kremlin

2000s

UCL



(Russia's Economy of Favours, CUP, 1998)

- **The use of personal networks for obtaining goods and services in short supply and for circumventing formal procedures**
- **Know-how of socialism**
- **An informal 'exchange of favours' that enabled socialist system to operate contrary to its own acclaimed principles**
- **Put in comparative perspective with *guanxi* in China** (Ledeneva, A. (2008). 'Blat and Guanxi: Comparative Analysis of Informal Practices in Russia and China,' *Comparative Studies in Society and History*, 50(1), January 2008, pp. 118-141)

Looking for the economies of favour around the globe

1 Neither gift nor commodity: the instrumentality of sociability

[Introduction: economies of favours](#) by Nicolette Makovicky and David Henig

- 1.1 [Blat](#) (Russia) by Alena Ledeneva
- 1.2 [Jeitinho](#) (Brazil) by Fernanda de Paiva
- 1.3 [Sociolismo](#) (Cuba) by Matthew Cherneski
- 1.4 [Compadrazgo](#) (Chile) by Larissa Adler Lomnitz
- 1.5 [Pituto](#) (Chile) by Dana Brablec Sklenar
- 1.6 [Štela](#) (Bosnia and Herzegovina) by Čarna Brković and Karla Koutkova
- 1.7 [Veza](#) (Serbia) by Dragan Stanojevic and Dragana Stokanic
- 1.8 [Vrski](#) (Macedonia) by Justin Otten
- 1.9 [Vruzki](#) (Bulgaria) by Tanya Chavdarova
- 1.10 [Natsnoboba](#) (Georgia) by Huseyn Aliyev
- 1.11 [Tanish-bilish](#) (Uzbekistan) by Rano Turaeva
- 1.12 [Guanxi](#) (China) by Mayfair Yang
- 1.13 [Inmaek/Yonjul](#) (South Korea) by Sven Horak
- 1.14 [Taps](#) (Azerbaijan) by Leyla Sayfutdinova
- 1.15 [Agashka](#) (Kazakhstan) by Natsuko Oka
- 1.16 [Zalatwianie](#) (Poland) by Paulina Pieprzyca
- 1.17 [Vitamin B](#) (Germany) by Ina Kubbe
- 1.18 [Jinmyaku](#) (Japan) by Sven Horak
- 1.19 [Jaan-pehchaan](#) (India) by Denise Dunlap
- 1.20 [Aidagara](#) (Japan) by Yoshimichi Sato
- 1.21 [Amici, amigos](#) (Mediterranean and Latin America) by Christian Giordano

[Conclusion: managing favours in a global economy](#) by Sheila M. Puffer and Daniel J. McCarthy

2 Neither gift nor payment: the sociability of instrumentality

[Introduction: vernaculars of informality](#) by Nicolette Makovicky and David Henig

- 2.1 [Okurimono no shûkan](#) (Japan) by Katherine Rupp
- 2.2 [Songli](#) (China) by Liang Han
- 2.3 [Hongbao](#) (China) by Lei Tan
- 2.4 [L'argent du carburant](#) (sub-Saharan Africa) by Thomas Cantens
- 2.5 [Paid favours](#) (UK) by Colin C. Williams
- 2.6 [Egunje](#) (Nigeria) by Dhikru Adewale Yagboyaju
- 2.7 [Baksheesh](#) (Middle East, North Africa and sub-continental Asia) by James McLeod-Hatch
- 2.8 [Magharich'](#) (Armenia) by Meri Avetisyan
- 2.9 [Kalym](#) (Russia) by Jeremy Morris
- 2.10 [Mita](#) (Romanian Gabor Roma) by Péter Berta
- 2.11 [Pozornost'/d'akovné/všimné](#) (Slovakia) by Andrej Školckay
- 2.12 [Biombo](#) (Costa Rica) by Bruce M. Wilson and Evelyn Villarreal Fernández
- 2.13 [Mordida](#) (Mexico) by Claudia Baez-Camargo
- 2.14 [Coima](#) (Argentina) by Cosimo Stahl
- 2.15 [Chorizo](#) (Latin America) by Evelyn Villarreal Fernández and Bruce M. Wilson
- 2.16 [Aploksne/aploksnīte](#) (Latvia) by Iveta Kažoka and Valts Kalnins
- 2.17 [Fakelaki](#) (Greece) by Daniel M. Knight
- 2.18 [Cash for access](#) (UK) by Jonathan Webb
- 2.19 [Korapsen](#) (Papua New Guinea) by Grant W. Walton
- 2.20 [Bustarella](#) (Italy) by Simona Guerra
- 2.21 [Dash](#) (Nigeria and other West African countries) by Daniel Jordan Smith

- 1985-6, working on informal governance in rural Siberia (*neformal'nye mekhanizmy upravleniya*), under the guidance of T.Zaslavskaya and I.Ryvkina
- 1998, a book on *blat*, conceptualising local knowledge for outsiders
- 2000, integrating informal practices perspective into teaching
- 2008, comparing informal practices in Russia and China: *blat –guanxi* article;
- 2011, 'Open secrets and knowing smiles,' 'rear mirror' methodology
- 2012, sharing expertise on ethnographies of corruption with ANTICORRP.eu project partners globally,
- 2013-4, designing *The Encyclopaedia* along the lines of bigger questions: 'What is this case a case of?' and 'How would you know if you were wrong'
- 2014, scaling up, securing seed funding (SSEES,CHIRP) on research-led teaching, internship and globalisation
- 2014, working on Mexico-Tanzania-Russia comparison, method of the context-sensitive comparison
- 2015, widening theoretical grounds: founding the SSEES-funded FRINGE Centre (cross-discipline and cross-area studies) and the Fringe series with UCL Press for the Encyclopaedia
- 2015, building up a database with an outlook for complexity
- 2016, starting a website with potential for crowdsourcing (Wiki)
- 2016-17, working on the structure and theoretical framing of the first two volumes
- 2018, publication of the two volumes with Key findings on ambivalence and complexity
- 2018-19, Experimenting with Python modelling and machine learning
- 2019, Open call for the third volume
- 2020, over 100 entries collected, search for new questions

What are in-formal practices? (symbiotic perspective)



HOW RUSSIA
REALLY WORKS



THE INFORMAL PRACTICES THAT SHAPED
POST-SOVIET POLITICS AND BUSINESS

ALENA V. LEDENEVA

- Short answer: ‘ways of getting things done’
- Long answer: “an outcome of players’ creative handling of formal rules and informal norms—players’ improvisation on the enabling aspects of these constraints. [Informal practices are] regular sets of players’ strategies that infringe on, manipulate, or exploit formal rules and [...] make use of informal norms and personal obligations for pursuing goals outside the personal domain” (Ledeneva 2006, 20-22)
- In-formal practices tend to escape articulation in official discourse, but captured in the vernacular
- They are expertly practised by insiders but often hidden from outsiders

‘Linguistic turn’ in the Global Informality Project (Wittgenstein’s poker)

- Bottom/up: assembling user community language (heuristic detector of practices: to learn what chair is, you master sitting on it)
- The idea of a practice as ‘going on’ or rule-following without articulating rule (1,2,4,8,16: to continue a sequence, one does not need to know the formula)
- Family resemblance: structuring by ‘blinking similarities’ while maintaining differences (context-sensitive comparisons without imposing top/down criteria)

- **Piloting:**
 - research-led teaching and commissioning entries from students
- **Opening:**
 - Alena/ FP7 ANTICORRP funding/Encyclopaedia as CUP deliverable
- **Breakthrough:**
 - CHIRP 'A Word of Mouth'/Roxana/open call/setting up a mailbox/Dropbox/ Edyta's model entry
- **Consolidation:**
 - Roxana/Philip – ANTICORRP fellows/ administrators of contracts, series of workshops,
 - Anna/first project manager/Google scholar search and first audits/editor
 - Costanza/second project manager/active networker/editor
 - Sheelagh/scaling up manager/completion editor
 - Elizabeth/perfection manager/style editor
- **Digitalisation (WIKI):**
 - UCL Digital humanities internship scheme
 - Max/Images copyrighter
 - Anastasia/assembling images for the book
 - Akosua/FRINGE institutional help with IT (Matt and Matt) and publicity
 - Madeleine/marketing
 - Petra/automation
- **Publication (2D structure) and dissemination:**
 - Endorsements
 - Free pdf download: 3K in one week, 6K in ten weeks
 - Authors to engage in publicity
 - International events/David/Eduard/Marissa/Abel/Rustam/Justin/Misha/Claudia/Lucy/Yuko/Ivana/
Klavs/Eric/Elena/Jan
- **Impact:**
 - Akosua/UCL Global engagement fund
 - Authors to join forces in future projects
 - DFID/Integrity Action/ Filming training sessions
 - INFORM/Petra/ Dissemination strategy
 - Future plans/Alena/setting up an International board
 - UCL Global Engagement fund case study
 - INSEAD Network leadership case
 - See more under Resources/ Professional