*Dissertations in Social Sciences
and Business Studies*

UNIVERSITY OF
EASTERN FINLAND

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MANAGEMENT CHANGE AND TRUST DEVELOPMENT PROCESS
IN THE TRANSFORMATION OF A UNIVERSITY ORGANISATION

Management Change and Trust Development Process in the Transformation of a University Organisation - A Critical Discourse Analysis

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ABSTRACT

This doctoral thesis examines management and trust development at an organisational level in the context of a merger between two university organisations. The research question is: *How does management change unfold and how does trust develop in a transforming university organisation?* Trust is built in a university organisation by establishing and maintaining fair and equal organisational practices, e.g. within human resource management, and by facilitating interpersonal interaction and constructive communication.

The empirical research material is longitudinal and qualitative. The data consists of the rector's annual semester opening ceremony speeches during 1998-2014. The empirical analysis is based on a theoretic-methodological framework utilising a critical discourse analysis. On the basis of the empirical data, four management discourses concerning; bureaucracy, professionalism, democracy and managerialism are identified and interpreted. The trust development process is analysed adopting a process view (Langley et al. 2013; Savolainen & Ikonen 2016). Moreover, two models are combined; Lewicki & Bunker's (1996) model which describes trust development in a professional relationship with Ring & Van de Ven's (1994) model which depicts the development process of an inter-organisational cooperative relationship.

The rector at a university plays the role of a senior manager (CEO). There is dichotomy between managerialism and strategy, and professionalism and autonomy in a university. I propose that managerialism and strategic management might be feasible in a university organisation if there is trust within an organisation. A trust management model which contributes to the creation of trust as social and cultural capital is presented as a result of the empirical study.

Keywords: trust, management change, organisational transformation, critical discourse analysis, process

ABSTRAKTI

Väitöskirjassa tarkastellaan johtamisen muutosta ja luottamuksen kehittymistä organisaatiotasolla kahden yliopiston fuusion kontekstissa vastaamalla tutkimuskysymykseen: *miten johtaminen muuttuu ja kuinka luottamus kehittyy muuttuvassa yliopisto-organisaatiossa.* Luottamuksen kehittyminen organisaatiotasolla edellyttää oikeudenmukaisia ja yhtäläisiä organisaatiokäytäntöjä mm. henkilöstöjohtamisessa, sekä keskustelevaa, kuuntelevaa ja arvostavaa vuorovaikutusta organisaatiossa.

Tutkimusaineisto on pitkittäinen ja laadullinen muodostuen yliopiston rehtorin lukuvuoden avajaispuheista 17 vuoden ajalta, vuosilta 1998–2014. Metodologisena lähestymistapana on kriittinen diskurssianalyysi. Yliopiston johtamisen muutosta on tulkittu muodostamalla neljä johtamisen diskurssia; byrokratia, professionalismi, demokratia ja managerialismi. Tutkimuksessa on käytetty prosessitutkimuksen lähestymistapaa (Langley et al. 2013; Savolainen & Ikonen 2016) sekä yhdistetty kaksi mallia; luottamuksen kehittymistä kuvaava Lewickin & Bunkerin (1996) malli sekä kahden organisaation välisen yhteistyöprosessin kehittymistä kuvaava Ring & Van de Venin (1994) malli.

Managerialistisen johtamisen ja strategian sekä professionalistisen johtamisen ja autonomian välillä on vastakkaisuutta. Väitöskirjatutkimuksessa esitetään, että managerialistinen johtaminen ja strategia voivat olla yliopisto-organisaatiossa toimivia, jos organisaatiossa on luottamusta. Tutkimuksessa esitetään luottamusjohtamisen malli, jonka avulla rakennetaan luottamusta organisaatiomuutoksessa sosiaalisena ja kulttuurisena pääomana.

Avainsanat: luottamus, johtamisen muutos, organisaation muutos, kriittinen diskurssianalyysi, prosessi

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PICTURE

ABBREVIATIONS

CDA   Critical discourse analysis
UEF   University of Eastern Finland

1 Introduction

1.1 CONTEXT AND OBJECTIVES OF THE RESEARCH

"The existence of a network of connections is not a natural given, or even a social given…It is the product of an endless effort at an institution"

Pierre Bourdieu 1986, 249

Management is a topic which is currently much discussed and highly emphasised in universities. The major university reform in 2010 in Finland extended the autonomy of Finnish universities, making the topic more relevant than ever. At the same time, the university management and decision-making system has also been reformed. Furthermore, the network of universities has changed in Finland. The Helsinki University of Technology, Helsinki School of Economics and University of Art and Design came together as the Aalto University. The Sibelius Academy, Theatre Academy and Academy of Fine Arts merged into the University of the Arts in the beginning of 2013. The two universities in Eastern Finland, University of Joensuu and University of Kuopio, decided to form a cooperative inter-organisational relationship through a merger, as well, in order to develop as an international level research university and also to strengthen their competitiveness.

Mergers are a complex and somewhat painful activity both for institutions and for the academic and administrative staff. Merger does not only bring to the fore management challenges, but coherent, cohesive and sustainable integration efforts tend to take a long time to materialize, lasting on average around a decade. (Pinheiro et al. 2016, 5)

Insecurity and vulnerability commonly occur during organisational changes (Searle & Ball 2004, 708). One of the key questions for the management is how to generate, apply and maintain trust in a transforming organisation. Trust is commonly defined within organisational studies as "the willingness of a party to be vulnerable to the actions of another party…" (Mayer et al. 1995, 712).

Through good management, vulnerability can be made more tolerable and acceptable. This research presents a form of trust management which contributes to the cooperation and competitiveness of the transforming university organisation – entailing interaction and connections as referred to above by Pierre Bourdieu (1986, 249).

In this dissertation I aim to describe the development process adopted by the management concerning change and trust in the context of a merger between two university organisations. Traditionally, most universities have been governed through a system where academic professionals have played a major role in the

decision-making. Currently, however, a managerial perspective is needed more in university organisations because of increasing competition (Birnbaum 2004, 7).

The contemporary transnational environment challenges universities and higher education systems and their practices. Due to changing global demands, universities are launching international projects, increasingly planned to meet international academic standards. Universities are also trying hard to make their performances visible in regard to globally comparable evaluation criteria. To enhance their global visibility, universities need to rethink their profiles and specialization priorities (Medvedeva & Ahponen 2016, 145).

Universities and higher education systems in all countries were faced with contradictory external and internal forces of change in the 1990s. This was partly a result of changes in society, such as declining birth rates, an ageing population, and the rise of the global knowledge economy. There were also broad policy efforts aimed at the modernization of the public sector, and, thereby, the future sustainability of the welfare state. Universities are expected to support social and economic development more directly perhaps than ever before. In this new environment, universities have been placed in a situation, in which they have to show that they are worth the government's investments (Höltta 1995, 15; Pinheiro et al. 2016, 9).

The development concerning university management from a professional collegial bureaucracy towards managerialism is visible in the late 1990s in British universities. According to Dearlove (1998, 59), when universities in Britain were well-resourced and elite institutions, their management mainly concerned the administration of rather "dull, steady state, routines". The tighter financial times in the 1980s encouraged the call for the more efficient university management. The issue of university management was pushed to the forefront in the 1990s in British universities.

A similar development is seen in Finnish universities and in this case study. Management change has created the need for research that brings new insights to help decision making and organisational development in universities. This thesis examines management change and organisational transformation adapting a discursive approach to change. Organisational change is seen in this study as a generative process – continuously in a state of becoming.

The rector is the senior manager of a university and operates at an organisational level. By giving annual speeches at the university opening ceremony, the rector is operating in a managerial manner. Therefore, it is seen in this study that although the rector's discourse is one person's management talk, it also reflects organisational level practices. In this study I focus on the top management perspective, for this reason the other organisational level perspectives are not included in this work.

This study uses the annual semester opening ceremony speeches during 1998-2014 as primary research data. The study aims to describe how the texts, as a form of management talk, enact change, especially during the merger process. In the field of organisational change research, Demers (2007, 193) notes that studying language and communication is means of gathering knowledge. One of the main

tools used by managers to implement change is communication and the use of language, in both speech and written texts.

The texts used in this study clarify the change in the environment of the case university at a global, national and local level. There are a number of themes to be found in the texts, e.g. concerning the mission of the transforming university organisation. Studying the texts enabled the researcher to describe the concrete activity behind the transformation process in the case university organisation. Therefore, this study relates to the language or linguistic turn in social sciences and organisation studies. (Demers 2007, 199)

By giving annual speeches at the university opening ceremony, the rector is interpreted as having a reciprocal relationship with the people in the organisation. The reciprocity is constituted during the year as the rector receives impulses from the environment and ideas and feedback from members of the university organisation. In this study I interpret how the trust development process is reflected via the rector's speeches in his management talk.

This dissertation focusses on the trust development process at the organisational level and how this develops as the university organisation transforms in the context of a merger. The university community's and stakeholders' sense of ontological security towards the changing university organisation is strengthened via the rector's speech. This is analysed and interpreted in the data as trust building at an organisational level – assuming that the employees, students, local, national and global community need to trust in the transforming university organisation in order to cooperate and gain competitiveness. The Ministry of Education represents the national level stakeholder of the university in this study and is referred to as the Ministry of Education, although from 1.5.2010 onwards the name was changed to the Ministry of Education and Culture.

Trust development is seen in this study as a dynamic and continuous process where trust is built continuously. The trust development process is examined in the rector's speeches focusing on linguistic elements of how trust is generated, maintained and applied. The trust development process aims to create trust within an organisation by developing positive expectations in the context of an organisational change (Möllering et al. 2004, 561).

The university in this study is seen as not only an organisation, but also an institution. The university organisation is an entity where people are organised in a certain way in order to accomplish teaching, research and administrative tasks. The university institution is viewed as a universal form of producing the highest level possible of education and knowledge via research in a scientific tradition.

The rector of the university plays the role of a senior manager (CEO) of the organisation. On the other hand, the rectorship has institutional features as well. There are certain institutional aspects which define rectorship, such as legislation and tradition. The institutional dimension of rectorship is seen at the university annual opening ceremony, where the rector gives a speech. For this reason, it is fruitful to study the rector's speeches in order to explore the management change and trust development process in the transforming university organisation.

1.2 MANAGEMENT CHANGE DISCOURSE AND TRUST DEVELOPMENT IN A TRANSFORMING UNIVERSITY ORGANISATION

The social and physical structures of the university organisation under study were reorganised through a merger. Because it is an extreme form of change, a merger is a key context for the creation and management of trust (Searle & Ball 2004, 708). Thus, trust management is essential for the overall performance of an organisation going through such changes (Savolainen 2011, 123). Trust management is defined here, according to Savolainen (2011, 121-122), as "a leader's ability, intellectual resource and skill to enable interaction, co-operation and productivity." It is seen in this study that trust in the rector as the leader or manager may be extended to the organisational level. As Schoorman et al. (2007, 346) note, trust of the management is critical to understanding organisational trust, since it is this level of trust that will govern the strategic actions of the organisation (Cyert & March 1963; Simon 1957).

An organisation may be an object of trust on the basis of its competence and its intentions. An organisation should be trusted to behave responsibly in relation to its stakeholders and the environment. However, an organisation has interests and can try to regulate the intentions of its workers to serve those interests. This is often accomplished through management. People place trust in the competence of an organisation to foster and control the competencies and intentions of the people in it, including their dedication and care, and their willingness towards benevolence rather than opportunism (Nooteboom 2002, 58). Organisational trust and trustworthiness is discussed and defined in Chapter 3.

Organisational arrangements, procedures and culture can help people trust in the organisation. Intentions are shaped – sometimes unintentionally – by organisational culture, such as symbols, myths, rituals, patterns of behaviour, and stories. In addition, there are more fundamental shared categories of understanding (Schein 1985, 14). Underlying values shape ethics and intentions may be controlled by standard operating procedures, a code of ethics, or written or unwritten cultural codes of behaviour. Thus, organisational trust may be based on trust in the people in it. (Nooteboom 2002, 58-59, 75). For example, the trust students have in a certain university may be derived on the basis of university's reputation.

This study focuses on trust at an organisational level. The strategic actions (Sydow 2006, 377) of an organisation are made possible and eased into use because of trust. Trust 'bridges' risks (Luhmann 1979) (Sydow 2006, 377) and may be seen as the basis for risk-taking behaviour and co-operation (Möllering 2001, 404). The enabling effect of trust is seen in this study as the momentum for a merger becoming a 'leap of faith' (Möllering 2006). Therefore, trust is considered as one of the foundations of organisational competitive advantage (Barney and Hansen 1994) (Sydow 2006, 377).

Trust is conceptualized here as 'system trust' (Giddens 1990, 34), referring to organisational level trust, as I discuss in Chapter 3. The aspects, such as knowl-

edge, ability, traditions, routines, integrity, rituals and benevolence in the university organisation resonate with ontological security and a sense of trust. Trust is studied at an inter-organisational level in the change process where two university organisations become one. Inter-organisational trust between the two universities is seen here as the collectively held orientation of trust by the members of one university organisation towards the other university organisation, in line with McEvily & Zaheer (2006, 280).

I apply a critical discourse analysis (CDA) as the theoretic-methodological framework in this research. The CDA approach developed by Norman Fairclough (1992) and his colleagues offers the framework and tools for an analysis of the management change and trust development process. The logics of the management in the university are interpreted in the speeches as discourses in this study. The management change and trust development process are produced discursively in the rector's speeches during 1998-2014 in this longitudinal case study.

I formulated the management discourses on a theoretical basis from the rector's speeches, based on the four types of logic used by the management at the university (Dearlove 1998; Räsänen 2005). The management discourses utilised in this study are bureaucracy, democracy, professionalism and managerialism. The management change and trust development processes are analysed and described within these management discourses. Management change is discussed in detail in Chapter 5.

The trust development process in the transforming university organisation is explored in the rector's speeches, and in an interview with the rector. Two models were combined in order to analyse and interpret the trust development process from the perspective of the relationship of the two university organisations. First, the trust development process was analysed on the basis of Lewicki & Bunker's (1996) three-stage model of trust development in a (professional) relationship. Secondly, the developmental process of the cooperative inter-organisational relationship between the two university organisations was analysed by applying the framework presented by Ring and Van de Ven (1994). The trust development process is discussed in Chapter 6.

1.3 RESEARCH APPROACH

The research setting in this study is a longitudinal qualitative case study. There is one case in this research which is a university organisation. The management change and trust development process is examined by using the speeches of the rector as the primary research data. The ceremonial speeches of the rector are analysed over a period of 17 years from 1998 to 2014. There is also an interview with the rector which is further used as primary research data. The secondary data consists of the written histories of the two university organisations, administrative, planning and strategy reports of the university reform in Finland as well as project reports of the merger process.

This study is related to the tradition in social constructionism and the linguistic turn in social sciences which emphasise the subjective dimension and context-based interpretation. Knowledge is seen through social actors. The interpretive approach pursues knowledge gained through interpretation (Delanty 2005, 42, 54). In this research, the interpretation of the qualitative research material is an essential part of the analysis.

The social world is seen here as being socially constructed and based upon subjective perceptions and experiences in time and space and as being context specific. Constructionism is defined by Crotty (1998, 42) as follows: "...all knowledge, and therefore all meaningful reality as such, is contingent upon human practices, being constructed in and out of interaction between human beings and their world, and developed and transmitted within an essentially social context." In social constructionism the social origin of meaning and the social character with which it is inevitably linked is taken into account (Crotty 1998, 52).

The rector's speeches construct reality through the use of language. The knowledge gained by analysing the speeches is seen as a form of social constructionism (Berger & Luckmann 1966). Knowledge is to be found in the everyday world where social actors creatively construct their world using cognitive structures (Delanty 2005, 139). The use of language in the speeches examined in this study is seen here to constitute the management transformation in the university. The constitution of trust in the new organisation is based to a fairly large degree on the use of language in the rector's speeches.

The research method used in this study is based on content analysis and critical discourse analysis. The textual data (speeches) is categorised into four logic types used by the university management, using content analysis. The main themes were summarised within these management categories. This was followed by the identification of management discourses of: bureaucracy, professionalism, democracy and managerialism. The themes concerning each discourse are described and analysed. The meanings that are produced and mediated within the rector's speeches are explored by using critical discourse analysis. Management change at the university is discussed in Chapter 5.

The process of the merger and the rector's role as a manager are traced from the speeches and from an interview with the rector. The trust development process is captured and interpreted discursively. The university management is changed and the trust in the new organisation is developed through discourse. The trust development process in a transforming university organisation is discussed in Chapter 6.

The constructive nature of language is emphasised in this research. The speeches are analysed, using critical discourse analysis aiming to discover how language, 'a structured system of signs manifested in discourse' (i.e., the practices of talking and writing and texts), constitute social reality, including organisations (Demers 2007, 193). In line with Fairclough (2005, 919), the speeches are seen with their contingent effects as texts 'bringing organisationally related objects into being'. The speeches are not investigated in a rhetorical manner, because the

rhetorical expressions themselves used as persuasive management talk are not the focus of this study.

The social reality to be found in this research is the management change and trust development process in the context of organisational transformation. The turbulence of change starting from the 1980s followed by an acceleration of economic cycles, driven by competition, entail new organisational forms providing the flexibility required to succeed in a contemporary era. The dominant discourse shifts from a concern with the management of change to an interest in increasing the organisation's capacity to change. In this context the process view of organisational change takes centre stage. While the link between strategy and the environment remains strong, strategic change is seen less as a matter of radical transformation than as a long-term process of organisational renewal, a more proactive perspective (Demers 2007, 116-117).

A process view is adopted in this longitudinal case study covering a period of 17 years – from 1998 to 2014 (see Figure 4 for a timeline of the university reform process and the merger process). I explore the unfolding of the trust development process in a changing university organisation. When trust development is studied as a process in an organisation over time, one common denominator would be, as Savolainen (1997, 80) notes, organisational change. Organisations are continually changing, driven by external and internal forces.
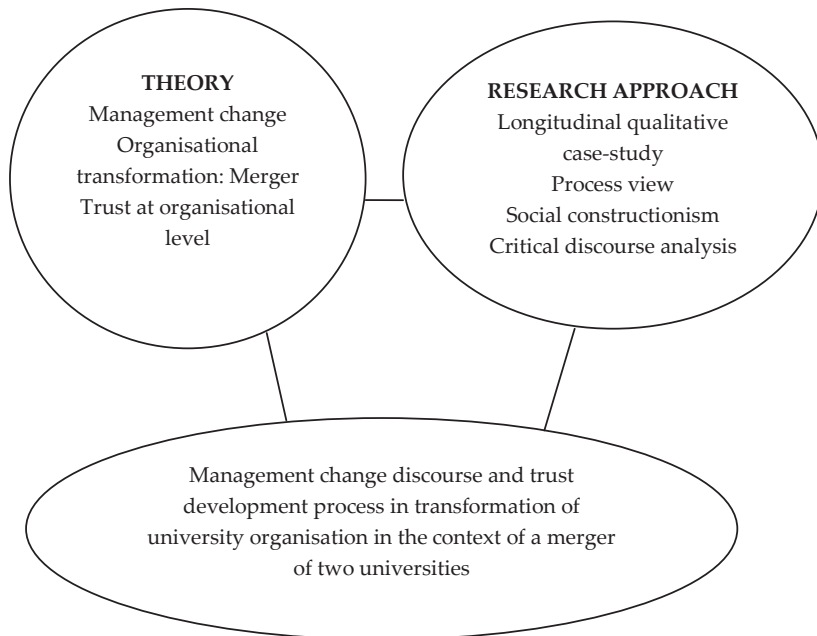
Figure 1: Theoretical research setting and context

Figure 1 illustrates the theoretical setting of the research. The context of the case study is a merger of two university organisations.

When two university organisations merge, the benefits from the merger, such as the competitiveness and effectiveness of a bigger organisation, should be expected. There is a possibility that the intended benefits of the merger may not be achieved. One of the key elements in achieving the benefits of the merger is in knowing how to integrate the two organisations into becoming one (Pinheiro et al. 2016, 5; Vaara & Tienari 2002, 280). By applying a process view this study produces knowledge on how the discourse of the rector influences the trust development process.

1.4 RESEARCH QUESTIONS, RESEARCH MATERIAL AND THE STRUCTURE OF THE RESEARCH

The change in management discourse and the process of trust development in the case of a merger between two university organisations is investigated in this longitudinal study. The following research question is posed:

- How does management change unfold and how does trust develop in the transforming university organisation?

The empirically oriented sub-question is:

- How does the trust development process unfold in the management discourses in the rector's speeches in the context of the merger?

In this study, I use the rector's annual university opening ceremony speeches during 1998-2014 as primary research material in order to find answers to the research question. The rector is a senior manager at a university and represents the organisational management. In this study communication, particularly the use of language, in both speeches and written texts, is considered one of the main tools used by managers to implement change. (Demers 2007, 193)

The primary empirical data also consist of an interview with the rector. The interview was made on November 2014, as the rector was ending his rectorship by the end of 2014. The interview provides a retrospective view of the research period. The empirical data covers the period when one actor carried out the task of rector in a changing university organisation.

The secondary data consists of written documents, history, plans and reports concerning the case organisation and university reform in Finland.

In Figure 2 the overall structure, research setting and approach, aim, and research question of this study are presented.

My study consists of eight chapters. In the first chapter the research context, and objectives of the stud are introduced, as well as the theoretical, methodological and conceptual premises. At the end of Chapter 1, the research questions, research material and key contribution are presented.

In Chapter 2 titled 'Management Change and Organisational Transformation' I present the theoretical premises of the study. I discuss management change in the Finnish university context and in relation to the international development of universities. Further, I present theoretical types of logic for university management, which forms the basis for the categories in the empirical analysis. I discuss strategy and managerial leadership in Chapter 2. At the end of Chapter 2, I discuss theoretical organisational transformation with a merger as the situation of the organisational change and presenting a structuration theory perspective of organisational change.

The third chapter presents the theoretical premises concerning the trust development process. I define the concept of trust and trust at organisational level. I discuss organisational trustworthiness and the impact of trust in an organisation. Further, I define organisational trust in the context of this study in Chapter 3.

In the methodology in Chapter 4, I present the context of this research as a qualitative case study. I also discuss the methodological premises including the critical discourse analysis and the process view approach. I further present the case organisation in the context of a major period of university reform in Finland. Additionally, I discuss the process view of trust development in detail by combining two trust models. At the end of Chapter 4 I discuss the data and the analysis of the data in the case study.

In Chapter 5 titled 'Analysis of Management Change Discourses in a Transforming University Organisation' I identify and present four management discourses: bureaucracy, professionalism, democracy and managerialism. I answer the research question: 'How does management change unfold?' and the empirical oriented sub-question: 'How does the trust development process unfold within management discourses in the rector's speeches in the context of a merger?'

In Chapter 6 I answer the research question: 'How does trust develop in the transforming university organisation?' and I discuss strategy and reasons for the merger. I present the trust development process between two universities applying two trust models. Lastly in Chapter 6 I discuss the rector's role as a manager in the trust development process.

Chapter 7 consists of a discussion of the research. I also present the trust management model as a result of this empirical study. Furthermore, I summarise the findings of the management change discourse and trust development process which are discussed in this study. The trust development process entails continuity – it has to be worked upon continuously.

In Chapter 8 I present the summary, the contribution and implications of the study. I discuss the limitations and evaluation of the study and end with some concluding remarks.

In Figure 2, I illustrate the three levels of analysis consisting of the microlevel (texts), organisational (meso) level and macro-level. In this study, as I apply CDA it enables me to expose how management discourse is related to external

change forces at a macro-level, reflected in the organisational level management discourse. Through an integrated analysis at different levels, it is possible to elucidate how the management discourses change over the course of time but still remain alive. I am able to describe the concrete managerial activity behind the merger process and trust development in the case university organisation.

Aim of the Study:
To describe management change and trust development process in a transforming university organisation

Research Setting

| Chapter 1 | **MACRO LEVEL** |

Scientific Approach
Longitudinal
qualitative case-study
Process view
Social constructionism
Critical discourse
analysis

Globalisation
Internationalisation
Marketization
Managerialism
Competitiveness
Stakeholders
University Reform

Chapter 5

Chapter 2 and Chapter 4

ORGANIZATIONAL LEVEL
Management change discourses;
Emergence, hegemony, re-contextualisation, operationalization

Theoretical Approach
Management change
Organisational
transformation: Merger

Chapter 2

Chapter 5 and Chapter

Trust at organisational
level

Chapter 3

Trust development process within management Change discourses and inter-organisational level relationships between two universities

Context

Chapter 4

Strategy discourse   Chapter 6

Transformation of
university organisation
in the context of a
merger of two
universities

Re-contextualisation of university organisation; Positioning

Chapter 4

MICRO LEVEL
Linguistic aspects of the production of the rector's speeches in university annual opening ceremony

Discussion   Chapter 7

Summary and Conclusions; Contribution and Evaluation of the Study   Chapter 8

Figure 2: Structure of the study

1.5 KEY CONTRIBUTION

On the basis of this research, I propose that managerialism and strategic management are able to function in a university organisation if there is trust within the transforming organisation. There is a dichotomy between the logic of managerialism and strategy, and professionalism and autonomy in a university. There is an idea of the individual strategy of each professional incorporated within professionalism. On the other hand, there should be a common strategy for the entire university organisation. The question concerning management is how to combine these sometimes contrary strategies coherently.

The working relationships in a university are delineated by two different aspects: the need for cooperation between peers, and competition between peers. The need for cooperation unfolds with the necessity to create new knowledge within multidisciplinary research groups and educational programmes. On the other hand, there is a personal need to publish in discipline based scientific journals in order to accomplish progress in an academic career.

The enabling effect of trust might be the key to cooperation. Trust is built in a university organisation by establishing and maintaining fair and equal organisational practices. When the organisational practices, such as management procedures, organisational norms, information sharing, communication and interaction within the organisation, are tailored in a way to build and retain trust within the organisation, the common goals defined in the strategy of a university organisation can be achieved.

The management change from bureaucracy towards managerialism in transforming university organisation has created a need for novel management knowledge and expertise. Trust management, which I introduce in this research, contributes towards a contemporary university organisation, as well as to knowledge-intensive organisations in general, in order to achieve success in organisational renewal and to gain competitiveness.

2 Management change and organisational transformation

In this chapter, I discuss a theoretical framework and setting for exploring the management change in a transforming university organisation. I present the managerial logic of management in a university context and discuss management change. Management change and organisational change are often intertwined. Social and cultural capital are discussed in this chapter.

A merger is an organisational change which restructures the physical and social structures in an organisation. Structuration theory (Giddens 1984) emphasises repeated interaction to be a foundation of social structure. Routinisation and tradition as fundamental concepts of structuration theory and which have linkages to trust are presented in this chapter.

2.1 THE MAJOR UNIVERSITY REFORM AND MANAGEMENT CHANGE

Management style is changing in universities from a bureaucratic and collegial decision making approach towards managerialism in university organisations. This development was visible in British universities (Dearlove 1998, 63-64), because the way in which funds were provided to universities had critical implications for their management. If there is generous funding in relation to the tasks to be performed and if the funds are provided without stiff accountability requirements, then those formally responsible for managing the university will not face the real-life management problem of getting the most out of the resources and implementing hard choices in terms of priorities.

The public discourse concerning globalisation and the effectiveness of Finnish universities accelerated during the beginning of the new millennium. There was a common public view that procedures were needed at universities for steering and reforming their management. A major university reform in Finland was accomplished in 2010 which I discuss in more detail in Chapter 4.

There are three power players, the rector, the board and the collegiate body, in a university organisation since the university reform in 2010. The aim of the reform was to consolidate the influence, societal relations and financial skills of the boards of universities subject to public law. The university administration and management have been reformed and strengthened to enable the universities to respond more flexibly and independently to the challenges arising from their

new financial status. The reform will also consolidate academic decision-making and the position of the university rectors. Members of the university community (professors, other personnel, students) will continue to be represented on the board (Kaukonen & Välimaa 2010, 18).

The board is responsible for the strategy of the university and makes decisions which are implemented by the rector. As legal entities, the universities have full financial liability, which emphasises the importance of their strategic management. The board and the rector are responsible for the collegiate body, because the collegiate body approves the annual report and financial statements of the university (Kaukonen & Välimaa 2010, 18).

According to The New Universities Act (558/2009), which came into force on 1.1.2010, at least 40 per-cent of the members on the board of a public university must be external to the university. The members are elected by the university collegiate body, which may also decide to have an external majority on the board, if it so wishes. The chair and the vice-chair of the board are elected from amongst the external members.

The board nominates the rector for a fixed term, which is a maximum of 5 years. The rector must hold a doctorate and have experience in management. The collegiate body is appointed by the professors, other personnel and students of the university organisation.

As Kaukonen & Välimaa (2010, 18) stress, the status of the rector has changed. The rector is no longer the highest representative of the university organisation and elected by the academic community. The rector is more like the CEO of a company style university organisation and is nominated by the board. The university personnel will be hired by the rector, unless he or she has delegated this to a given person or body.

The government continues to guarantee sufficient core funding tied to the rise in costs for the universities. In addition, the universities are able to apply for competed public funding and use revenue from their business ventures, donations and bequeaths and the return on their capital for financing their operations (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/?lang=en 29.4.2015 at 10:46). The rectors, acting now as the CEO of their universities, communicate with the stakeholders to support the university organisation, both morally and financially. Thus, the rector has the external role of a manager in maintaining liaison contacts, acting as a representative and spokesman in public relations and negotiating with stakeholders (Minzberg 1983, 199).

Thus, management is emphasised in contemporary universities - as I discuss in chapter 5 in this study. In managerialism, management is seen as a separate and distinct organisational function. The success of an organisation depends increasingly on the professionalism of the managers (Pollit 1990, 2).

On the one hand, the management change in universities from bureaucracy towards managerialism may be seen to violate a certain degree of academic freedom and traditional collegial values of a university organisation. On the other

hand, marketization and managerialism engender some freedoms, while restraining others (Kallio et al. 2015, 19). In this case study, it is illustrated discursively how managerialism enables the freedom for professionals to concentrate on core missions, teaching and research. This is because the administration is mainly accomplished by full-time managers.

Strategy on the other hand posits the common goals for the university organisation as a whole. If the professionals at a university perceive that they have less power to determine the goals of their teaching and research (i.e. strategy), collegial values and academic freedom will be violated, as Kallio et al. (2015, 19) note.

A university is a typical professional bureaucracy (Minzberg 1983, 189). Professional bureaucracies are usually large entities and internally differentiated, as multidisciplinary universities are in Finland (Kallio 2014, 85). The power rests at the bottom of the organisational structure, with the professionals of the university forming the operating core. There is autonomy in the work of professionals' (Minzberg 1983, 195).

Bureaucracy is geared towards stable environments (Minzberg 1983), as I will discuss in Chapter 5. A continuously changing environment characterised by competition requires flexibility from the organisation and management. The horizontal level cooperation between peers in a university organisation is critical.

The novel orientation of cooperation and crossing disciplinary and campus borders are emphasised in the transforming university organisation in this case study. There is a need to escape pigeonholes in order to formulate multidisciplinary educational programmes and research groups. Trust management should be considered and taken into account in order to achieve the organisational competitiveness in the 'new' university organisation after the merger as I propose and present in Chapter 6 of this study.

2.2 SOCIAL AND CULTURAL CAPITAL

Universities may be considered knowledge-intensive organisations consisting of specialists and professionals. The university may be seen as "a social organisation affecting the functioning of economic activity" (Coleman 1988, 97). Social and cultural capital is embedded within universities as I discuss in Chapter 6 and demonstrate in the trust management model in Chapter 7.

Unlike the other forms of capital, such as physical and human capital (skills and knowledge), "social capital inheres in the structure of relations between actors and among actors," (Coleman 1988, 98). Cultural capital refers to organisational culture as "the way of life in an organisation" (Hatch 1997, 204). Organisational culture displays it visible forms as "artefacts" and non-visible forms consisting of values (Schein 1985, 14). According to Sztompka (1999, 15), trust is a crucial element of social capital, and an important, though implicit, dimension of cultural capital.

The social and cultural capital that is attached to a university organisation, within the people in it, may be referred as intellectual capital. Intellectual capital

is defined by Choong (2008, 613) as being "a non-monetary asset without physical substance but it possesses value or it can generate future benefits." Thus, intellectual capital is essentially, as Nahapiet & Ghoshal (1998, 245) note, the knowledge and knowing capacity, an expertise, of a social collectivity, such as a university organisation. Ultimately, intellectual capital is a social artefact and knowledge and meaning are always embedded in a social context – both created and sustained through ongoing relationships in such communities (Nahapiet & Ghoshal 1998, 253).

Social capital is created in an organisation where there is trust and reciprocity, as Savolainen (2011, 119) notes. Social capital exists in relations among persons and comes about through changes in relations between persons (Coleman 1988, 101). Just like physical capital and human capital facilitate productivity, social capital does as well. Unlike other forms of capital, social capital is owned jointly by the parties in a relationship (Nahapiet & Ghoshal 1998, 244). The result is that most forms of social capital are created or destroyed as by-products of other activities (Coleman 1988, 118). I discuss trust in Chapter 3 and the trust development process in Chapter 4 in more detail.

Trust is one of the basic elements within social capital (Putnam 1993) (Sztompka 1999, 15; Ilmonen 2000, 22). Trust enhances cooperation and eases coordination and communication within organisations. As a consequence, the reciprocity between people in organisations is strengthened. The "norm of reciprocity" (Coleman 1988, 98) strengthens the sense of communality and common identity within an organisation. All this, on the other hand, further strengthen trust in an organisation (Ilmonen 2000, 22).

Trust does not appear or develop in the organisation in a vacuum, as Ilmonen (2002, 22) states. The interaction between people is needed in order to trust to develop. Information and knowledge about other person or party is gathered through interaction. The trustworthiness of the other party is evaluated on the basis of the gathered information, as I discuss in Chapter 3. However, trust in the other party may not be forced, as Ilmonen (2000, 22) notes.

I discuss in chapter 6, how two university organisations with similar external environments and similar origins although having different administrative cultures are able to become one. As Nahapiet & Ghoshal (1998, 257) note, time is important for the development of social capital in an organisation, since it depends on the stability and continuity of the social structure. Therefore, the formation of a common organisational culture incorporated with trust may assist in the creation of social capital.

Organisational culture is defined, e.g. by Edgar Schein (1985, 9) 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." There may be certain patterns of behaviour in an organisation that work in a 'taken-for-granted' –manner in relation to the organisation itself

and its environment. Schein (1985, 6-7) argues that these assumptions and beliefs are learned responses for an organisation in order for it to survive in its external environment and for its internal integration. They come to be taken for granted because they solve those problems repeatedly and reliably. This deeper level of assumption has to be distinguished from the "artefacts" (an organisation's constructed physical and social environment) and "values" that are manifestations of the culture but not the essence of the culture.

Trust may be seen as a cultural rule. Thus, trust is the property of an organisation as a cultural whole. If the rules demanding trust are shared by an organisation, and perceived as given and external by each member, then they exert a strong constraining pressure on actual acts of giving or withdrawing trust. There are normative obligations to trust and there are normative obligations to be trustworthy, credible, and reliable. Therefore, there are social roles related to trust in an organisation, demanding specific conduct from their members, and eventually forming the cultural capital of the organisation (Sztompka 1999, 66).

Organisational values are incorporated within organisational culture and in the social and cultural capital within the organisation as Savolainen (2011, 132) notes. Organisational values reflect what "ought" to be, as distinct from what is, as Schein (1985, 15-17) states. Many values remain conscious and are explicitly articulated because they serve the normative or moral function of guiding the members of the organisation in how to function in certain situation. Such values will predict much of the behaviour. In relation to trust development, the predictability of behaviour enhances trust (Mayer et al. 1995, 713-714).

If there is trust within an organisation, Savolainen (2011, 133) notes, it shows in a more positive work orientation, and in the willingness and readiness to cooperate, which contributes to form intellectual capital. There should be space for conversation, action, and interaction in order for the required codes and language to develop inside an organisation. Organisational life is characterised by a substantial amount of conversation: in meetings, conferences, and social events. Instead of considering this conversation a waste of time, it can be viewed as a collective investment strategy for the institutional creation and maintenance of solid networks of social relationships (Nahapiet & Ghoshal 1998, 258).

Since it takes time to build trust, relationship stability and durability are key network features associated with high levels of trust and norms of cooperation. Mutual obligations should be visible and clear (Nahapiet & Ghoshal 1998, 257). Social relationships are generally strengthened through interaction but die if not maintained. Social capital increases rather than decreases with use. Interaction, thus, is a precondition for the development and maintenance of solid social capital (Bourdieu 1986, 250), cultural capital and thus intellectual capital (Nahapiet & Ghoshal 1998, 257- 258). In the context of two merging organisations, trust building, and forming social and cultural capital in an organisation, may contribute to a decent level of post-merger integration and organisational competitiveness.

2.3 MANAGERIAL LOGICS OF UNIVERSITY MANAGEMENT

2.3.1 Bureaucracy

Bureaucracy is defined by Max Weber (1978, 987) as "… the means of transforming social action into rationally organised action." In a bureaucratic organisation, as Minzberg (1983, 35-36) notes, the behaviour (work processes, outputs, or skills) is predetermined or predictable and standardised. Weber (1946) developed the idea of bureaucracy as an "ideal type", meaning not perfect but pure (Minzberg 1983, 35-36). Ideals provide a basis for theorizing, but are not expected to exist in the real world (Hatch 1997, 171).

The bureaucratic organisation is characterized (Hatch 1997, 169-170) by complexity, formalisation, and decentralisation. In a bureaucracy, there are multiple hierarchical levels in an organisation where the decisions are made. There is the collegial decision making procedure in a university. The collegial decision making organs are formed on a democratic basis, which means that there are representatives from different groups of the university organisation; professors, other personnel and students (Räsänen 2005, 22).

There are strict (legal) rules and procedures guiding the decision making in a bureaucracy. But as Carnall (2003, 111) states, in an environment which is changing rapidly, rules and regulations can quickly become out of date and irrelevant. Additionally, rules and regulations can become barriers behind which individual managers hide or which they use to justify incorrect decisions. Inflexibility can create demotivating conditions for employees and can reduce the ability of managers or employees to innovate.

In Weber's ideal type of bureaucracy (Hatch 1997, 171), employees of quite average ability were turned into rational decision makers serving their clients and constituents with impartiality and efficiency. In this model there is reliability in decision making, merit-based selection and promotion, and the impersonal (i.e. fair) application of rules.

There is also a high degree of job specialization, and there are numerous formal procedures and lots of paperwork. Furthermore, in this sort of bureaucracy there is a hierarchy, with clear and significant status differentials and an emphasis on control in the organisation. It is intended to provide equal treatment for all employees. There is reliance upon the expertise, skills and experience relevant to the job (Carnall 2003, 111).

Organisations like universities which employ professionals (Hatch 1997, 172) do not perform well if they become overly bureaucratic. Professionals are highly trained and socialized to accept high standards of performance, therefore rules and procedures are redundant and often offensive to them. An organisation does not get full value from its professional employees if it insists that they only do what they are told. Professionals hired for their knowledge and expertise must have the discretion to use their skills and training, or much of their value and ability will be wasted. Such a waste is reciprocal; it is inefficient from the point of view of the organisation, and frustrating from the perspective of the employee.

2.3.2 Professionalism

A profession is defined by Clark (1987) as follows: "A profession is distinct from other occupations in that it has been given the right to control its own work," (Hölttä 1995, 92). Professional occupations and jobs are horizontally specialized and complex (Minzberg 1983, 32).

The profession in a university is based on the expertise of the professors and teachers. The Finnish academic profession has its roots in the German model, but a special feature deriving from Swedish rule as part of the national history still prevails. The connections between academics and the state have been close. Professors are involved and integrated in the national planning and decision-making machinery as members of committees and as advisors in political and bureaucratic decision-making (Hölttä 1995, 93).

According to Minzberg (1983, 189-190), a university is a typical professional bureaucracy which relies on the skills and knowledge of its operating professionals in order to function. The university hires trained and indoctrinated specialists, who are professionals, for the operating core of the university. These professionals are given considerable control over their own work. Control over their own work means that the professionals work relatively independently in relation to their colleagues, but closely with the students.

Most of the coordination between the operating professionals occurs through the standardisation of skills and knowledge. There is not necessarily a need for much interaction between all professionals. For example, in the Business School, the management and marketing courses may be integrated without the two professors involved having even met. As Minzberg notes (1983, 190), as long as the courses are standard, each knows more or less what the other teaches.

In a professional bureaucracy, as Minzberg (1983, 195) states, the power over the operating work rests at the bottom of the structure, with the professionals of the operating core. The professionals' power derives from the fact that their work is too complex to be supervised by managers. There is autonomy in the professionals' work.

Besides the professionals, there is the administrative structure in a professional bureaucracy. The administrators in a university put the decisions of the state-bureaucracy into practice at a university organisational level. Bureaucracy however leads to a dichotomy (Räsänen 2005, 22-23; Kallio 2014, 86; Hatch 1997, 172) with professionalism when the autonomy of the decisions made by professionals are over-ruled by bureaucracy (i.e. administration or management).

The professor is a leader of the discipline, and, therefore, has a fair degree of power in a university organisation. In a contemporary multidisciplinary university organisation, on the other hand, there is a need to combine different disciplines and form multidisciplinary teaching and research groups in order to solve grand challenges of the environment. A trust building management is needed in a modern university as the nature of professionalism is changing.

In the view of Minzbereg (1983) there are two kinds of professional work: independent and interdependent (Minzberg 1983, 69). In independent professional

work, there is a standardisation of skills, and, therefore, little need for mutual adjustment and cooperation. A professional can work independently with large units, for example, when a professor gives a lecture to students in a university she works with a large group. When working in research laboratories or research groups, professionals must work cooperatively. In that case, the professional work is interdependent, so there must be considerable mutual adjustment.

There is a need for cooperation across disciplines in a transforming university. Knowledge should be shared and combined into innovative and novel perspectives in order to solve actual problems in society which are multidisciplinary in nature. As Parry (2011, 60) states, knowledge is created primarily at the individual level. Although individuals are capable of both sharing and exploiting knowledge, they tend to emphasise the creating process when working on their own. Knowledge is created, shared, and exploited at the group level of an organisation (Nonaka & Takeuchi, 1995). Groups integrate knowledge by using interactive systems and create cognitive maps that are shared among all members of the group (Crossan el., 1999). The ideas, metaphors, and innovations from the individual level are brought together to form a more cohesive and integrated whole.

At the organisational level, knowledge that was created and interpreted at an individual level and integrated at a group level becomes institutionalised. Because it takes resources from all parts of the organisation to convert new ideas into marketable products or services (Boisot, 1998), the exploitation of knowledge occurs primarily at the organisational level (Parry 2011, 61).

Professional cooperation enhances novel innovations, but the nature of university organisation as a professional bureaucracy hinders cooperation. As the coordination between the operating professionals is handled by the standardization of skills, there is actually no need for interaction between professionals. Managerialism gradually transforms professionalism in a university.

2.3.3 Democracy

Democracy entered Finnish universities in the 1970s, as Räsänen (2005, 22) notes. Professors have traditionally been dominant in the formal decision-making in universities. Democracy with collegial-decision making ensures that the voices of different groups in a university organisation are heard in decisions. The collegial decision making organs are formed by all the members of a university community; the representatives of professors, other personnel and the students. The students are able to influence decisions, even though they might not be able to participate in preparing the decisions. In democracy the domination of the professors in the decision making is diminished and the other personnel (teachers, administrators) and students are able to influence more in the decision making process (Kekäle 2001, 16-20; Räsänen 2005, 22–23).

The relationship between a superior or leader and subordinate or follower is problematic in a university. It is more appropriate to think in a way that there are 'constituents' in a university, rather than followers (Birnbaum 1989, 22-23). I discuss this further in Chapter 5. According to Kekäle (1997, 212), the role of a

superior or leader is rather to support and create conditions for academic work, but not to dictate the decision-making process. Democratic leadership practices focus on facilitating interactions and group-based decision making, in addition to sharing power and authority (Avery 2004, 18).

Democracy is present in a contemporary university, e.g. in the form of students and other personnel representation on governing bodies. According to The New Universities Act (558/2009), which came into force on 1.1.2010, students will continue to be regarded as full members of the university community. They are automatically members of the students' union and are represented on the governing bodies, such as the collegiate body of the university. (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/index.html?lang=en 3.2.2015 klo 14:50).

The collegiate body of the university represents democracy because it consists of the professors, other personnel and students. The university collegiate body elects the members on the university board. Additionally, the board and the rector are responsible for the collegiate body, because the collegiate body approves the annual report and financial statements of the university (Kaukonen & Välimaa 2010, 18).

2.3.4 Managerialism

Managerialism as part of the logic of the management is related to a broader social context. The emphasis on management and managers has risen. James Burnham (1941, 71) stated during the 1940s that society was changing from a capitalist society to a managerial society. In this view power is positioned with the managers. Christopher Pollitt (1990, 1-3) uses the concept of managerialism to describe the renewal of public sector services during the last decades. Three years later, he introduced the concept of "New Public Management." This refers to the management of public sector organisations. New Public Management takes account of market mechanisms and involves aspects of managerialism.

An understanding of the nature of managerialism (Pollitt 1990, viii-1) or leadership theory (Birnbaum 1989, 22) demands an inquiry into the worlds of big business and the military, from which many management ideas have come. There are elements commonly known from business organisation theory noticeable in the public sector as well. There are features such as strategy, costing, budgeting, performance indicators, staff appraisal schemes (i.e. tenure track) and merit pay which are familiar in a contemporary university organisation. Furthermore, job titles are changing towards a more business type of orientation. Formerly there were administrators or principal officers. Now there are managers with executive teams, including management training.

The underpinning beliefs behind managerialism consist of the following ideas presented by Pollitt (1990, 2). Firstly, social progress is only possible through continuing increases in economically defined productivity. Productivity is accomplished with sophisticated technology, which includes information and organisational technologies.

Secondly, management is a separate and distinct organisational function and plays an essential role in planning, implementing and measuring the necessary improvements in productivity. Thirdly, the success of an organisation will depend increasingly on the qualities and professionalism of its managers. In order to achieve the goals of the organisation, the managers must be granted the right to manage (Pollit 1990, 2).

In a university organisation, managerialism means a flatter organisational structure, i.e. fewer hierarchical levels. Traditionally in bureaucracy, the decisions were made through collegial decision making, which required many meetings at the different levels in the hierarchy. Once the management of a university changes towards managerialism, there are fewer hierarchies and the decisions are made by the managers at a departmental or faculty level. In managerialism the decision-making changes from collegiality and democracy towards manager-centred procedures with less democracy.

2.4 STRATEGY

Managerialism in an organisation and a strong emphasis on management underscore the importance of strategy to the organisation. Strategy is one of those words as Minzberg (1994, 23-25) states that are easy to define in one way, yet often use in another way. Effective strategies usually perform in a way that reflects the conditions at hand and have the ability to predict as well as enable the organisation to react to unexpected events.

The concept of strategy appeared in organisation theory in the late 1950s as a military metaphor. The concept of strategy refers to the top management's planned efforts to influence organisational outcomes by managing the organisation's relationship with its environment. An organisational strategy is a scheme for competing in the marketplace; tactics are used to accomplish planned activities while adjusting to the competitive situation as it unfolds (Hatch 1997, 101).

A university organisation and its environment are related as I will discuss in Chapter 6. On the basis of this study, it seems that the needs and demands of the environment of the case university organisation defined a strategy for the merger to be a 'strategic fit'. Strategy is concerned with actively managing the fit in order to achieve a competitive advantage which will ensure the organisation's survival, profitability, and reputation (Hatch 1997, 102-103).

Strategy is considered to be the high point of managerial activity (Minzberg et al. 1998, 9). Strategy formulation consists of three parts. At first strategy formulation involves the consideration of alternative courses of action intended to achieve or maintain the fit between environmental needs and organisational abilities. Secondly, there is a need to establish criteria for selection from among the alternatives. And finally, strategy formulation involves a comparison and choice between the alternatives (Hatch 1997, 109). In this study, strategy formulation themes are identified in the rector's discourse and discussed in Chapters 5 and 6.

Strategy takes on a very different form in a professional bureaucracy (Minzberg 1983, 200), such as in a university. In a university, the outputs are difficult to measure (Kallio 2014) and the goals cannot easily be agreed upon. Since there is autonomy for each professional, it becomes logical to think as Minzberg (1983, 200) notes that there is a personal strategy for each professional, as I discuss in Chapter 6 in this study.

Discourse around the strategy of the case university in this longitudinal study unfolds from two perspectives. The themes concerning the need for bigger units and flexible management in order to compete in the global higher education market represent the discourse-as-social-practice (Fairclough 1992) because it takes into consideration the social context in which the discursive event takes place. There are ideological effects, such as globalisation, internationalisation, marketization and managerialism, in which discourse is a feature. As a consequence, the strategic choice of a merger between two neighbouring university organisations occurs.

Secondly, the discussion around the strategy contains a consistent theme of multidisciplinarity. I characterize the discourse of the multidisciplinarity strategy as hegemonic (Fairclough 1992) and discuss it in more detail in Chapter 6. Multidisciplinarity is a necessary strategic choice in the case university organisation and requires cooperation between disciplines and campuses. The rearrangement of pigeonholes and interdisciplinary cooperation are needed. Not being integrated entities, professional bureaucracies often operate in separated pigeonholes (Minzberg 1983, 205). However, cooperation is needed in a transforming university organisation and changing environment. Innovations are not likely to emerge in pigeonholes.

2.5 THE MANAGER AS A LEADER

Managerial activities, as Minzberg (1973, 56) states, may be divided into three groups: interpersonal relationship activities, information transfer, and decision-making. The manager is the formal representative of the organisation. The manager interacts with peers and stakeholders outside the organisation and gains favours and information. The manager performs as a leader in an organisation by motivating, recruiting and promoting.

The manager has a unique position, gaining information which enables the development of an understanding of the organisation. The manager transmits the information into the organisation. Information concerning the organisation is also transmitted outside the organisation into its environment by the manager. The manager's status, authority, and unique access to information place the manager at the central point in the system where significant strategic organisational decisions are made (Minzberg 1973, 57).

The rector of a university has the power to interpret the information gained by managerial activities. This can be approached by the idea that the rector can

decide whose voices are heard and which voices are not heard in specific discourses (Vaara & Tienari 2002, 280). In this study, the annual semester opening ceremony speeches of the rector in the university organisation are studied, drawing on critical discourse analysis. The speeches as texts are studied with connection to social practices and embeddedness in them. The discourses are seen as an inherent part of the social construction of the university organisation. Managerialism discourse as discussed in Chapter 5 in a university management context represents a new organisational reality. Thus, discourses become part of the organisational action; they define and redefine what is justified and legitimate (Vaara & Tienari 2002, 279).

In the context of a merger, the university organisation meets changes which affect the lives of people as employees, students and stakeholders. The rector's discourse shapes the collective understanding of what is happening in the transforming university organisation. The rector's discourse in the university opening ceremony consists of a realistic description of what has happened and what is happening in the environment. On the other hand, there is some rhetoric constructing images for the comprehension of a desirable progression, in other words, what could happen in the future.

Mergers, as Vaara & Tienari (2002, 280) note, provide the potential for numerous conflicting and contradictory interpretations. Top management may often view mergers differently from employees; an achievement of 'synergies' could imply a loss of jobs. People on different sides within the merger setting may also have conflicting interests. A merger can provide opportunities for synergies, but the 'new' organisation may not be able to achieve its potential because of internal politics.

The manager as a leader defines the atmosphere in which the organisation will work (Minzberg 1973, 60). Theories of transformational leadership and organisational change emphasise that change is accomplished through the leader's implementation of a unique vision of the organisation. During times of change, it is important that leaders create an atmosphere of psychological safety for all the individuals to engage in the new behaviours needed as the change occurs. Communication is the key tool in any change process and a failure to communicate generally results in individuals feeling uncertain and anxious about their future (Parry 2011, 58).

The management style is discussed by the rector in an interview. The rector states himself to be more of a development researcher, not as a basic researcher as the rector stresses, within a development project. The rector believes in 'evidence-based-management'. This means, according to the rector, that 'matters are analysed and of course listened to and discussed'. The rector expresses doubts as to whether he listens sufficiently and admits to being over dominating many times, but also likes working in a group.

The process of the merger is discussed by the rector in an interview. The project team was evaluated as being an 'extremely good team' by the rector. The preparation of the merger with the project team was one of the most challenging and, on the other hand, most inspiring periods of his career as a rector.

When a change is announced in an organisation employees hope that the outcomes will be favourable. The level of trust therefore becomes a critical factor in influencing how the employees think, feel and act with respect to the current change. Organisational justice has been identified as a key ingredient in the development and decline of trust in management. Change is one context that heightens perceptions of fairness (Smollan 2013, 725).

In Chapter 6, I discuss a merger as 'a leap of faith' (Möllering 2006) and describe the trust development process (Lewicki & Bunker 1996) in the cooperative inter-organisational relationships (Ring & Van de Ven 1994) between two university organisations. The aspects of efficiency and equity in the relationship are emphasised in the model of Ring & Van de Ven (1994).

2.6 ORGANISATIONAL TRANSFORMATION

Organisational change is discussed in terms of transformation (Demers 2007, 43), while the uncertainty and turbulence of environments has accelerated since the 1980s. Two types of change periods may be distinguished in this longitudinal study applying concepts of momentum and revolution (Demers 2007, 49). Momentum is a long period of incremental adjustment that maintains or strengthens the existing configuration and organisational structure. The implementation of incremental adjustments that fine-tune the existing strategic orientation (Demers 2007, 53) is interpreted in this study during 1998-2005 and I discuss this in more detail mainly in Chapter 5 and also in Chapter 6.

Revolution is a rare and short period of extensive reversal that gives rise to a new configuration or organisational structure (Demers 2007, 49). Structure refers to the relationships among the parts of an organised whole. In organisation theory there is a fair degree of interest in two kinds of structures: physical and social structures. Physical structures refer to relationships between the physical elements of an organisation, such as its buildings and geographical location. Social structure in organisation theory refers to relationships among social elements including people, positions, and the organisational units, for example, university departments (Hatch 1997, 161).

A merger is an extreme form of change and is revolutionary, giving rise to a new organisational structure. The physical and social structures of the case university organisation undergo a drastic transformation. I interpret the organisational change in this case study during 2005-2014 as a revolution and I discuss this in more detail in Chapter 6 and also in Chapter 5.

The university organisation is not seen as a static entity in this study, but rather as a dynamic process in a constant state of change. A widely used model of organisational change has been developed by Kurt Lewin (1951). According to Lewin's model (1951, 228-229), change involves three steps: unfreezing, moving, and freezing. Lewin's model is more a theory of stability than of change, because change is defined as a transient period of instability interrupting an

otherwise stable equilibrium. Unfreezing unbalances the equilibrium that sustains organisational stability. The moving stage involves influencing the direction of movement in the current unbalanced system. Change continues until a new balance between the driving and restraining forces is achieved. Freezing occurs when new behavioural patterns stabilise or become institutionalised (Hatch 1997, 353-354).

As Tsoukas & Chia (2003, 570) note, the stage models of change, such as Lewin's (1951) classic "unfreezing-moving-refreezing" model do not incorporate the distinguishing features of change by breaking it down into stages. In this way, change is reduced to a series of static positions and the distinguishing features of change are lost from view. It is whatever goes between the positions representing change. When change is seen as continuous, as Weick et al. (1999, 379) note, the problem is not one of unfreezing. The focus instead should be on redirecting what is already under way.

2.6.1 A merger as a situation of organisational change

Organisational research on mergers and acquisitions has been based on different traditions. A strategic perspective has dominated since the 1960s, with close links to economics and, later on, finance literature. Strategic perspective studies have characterised the decision-making processes preceding merger arrangements, the choice of acquisition targets, and managing the subsequent integration process. In addition to strategic oriented analyses, there are studies adopting a human resource management perspective. The aspects of employees in the emergent, merger-related change processes have also been explored. Since the early 1980s, a cultural perspective (at an organisational and national level) in organisational research concerning mergers and acquisitions has been emphasised (Vaara & Tienari 2002, 277).

In a university context, as Pinheiro et al. (2016, 3) note, scientific interest in merger processes dates back to the 1930s (Barnes 1999), but the topic became prominent in the mid-1970s (Millett 1979; Peters 1977; Bates and Santerre 2000). During the 1980s mergers became an integral component of policy frameworks and change dynamics across the higher education field, such as in Australia (Gamage 1992; Harman 1986). During the 1990s the modernisation and reforming of the domestic higher education systems were accomplished usually through mergers throughout Western Europe (Skodvin 1999; Kyvik 2004) and parts of Asia, such as China (Huang and Zhang 2000; Cai 2007). By the turn of the new century, the phenomenon of mergers (Harman and Meek 2002) had been extended to cover Europe, Asia, North-America and Australia.

As a national level policy instrument, mergers are seen to enhance system rationalisation, improve quality of both teaching and research, and address critical issues pertaining to quality (e.g. enrolment contraction) and the efficiency of domestic higher education systems. Mergers are thought to have the potential to produce long-term benefits for individual providers, as well as for systems as a whole. A common rationale for resorting to mergers between academic institu-

tions relies on the establishment of larger units. Bigger units enhance the academic and administrative economies of scale (Pinheiro et al. 2016, 4-5).

It is commonly realized that between 50 % (Porter 1987) and 80% (Marks and Mirvis 2001) of mergers tend to fail. Effective merger integration increases the chances of a successful merger. Research on merger management has focused on organisational performance and the factors that are likely to influence it, such as organisational culture. The merger is more likely to succeed if there is potential compatibility and a 'culture fit' for the two merger partners. The pre-merger fit eases the post-merger integration (Riad 2005, 1530).

According to Pinheiro et al. (2016, 7) in the context of mergers concerning universities, it has been found (Gamage 1992) that there are both realized synergies as well as shortcomings following mergers. There are positive elements found in the progression with respect to the upgrading of existing, and the development of new, academic programmes. The university's profile and market recognition, e.g. being the third biggest university in a country, are considered benefits of a merger. These were reflected in increased student demand and membership in a prestigious domestic group of universities. On the other hand, academic integration, in terms of staff synergies in teaching were found to be far from optimal. Also, financial efficiency from economies of scale failed to be realised (Pinheiro et al. 2016, 7-8).

The discursive elements in mergers and acquisitions are rarely studied. There are a few studies (i.e. Hirsch 1986; Schneider & Dunbar 1992) which explore the linguistic aspects of hostile takeovers. A large part of the public discussion concerning the effect of mergers and acquisitions occurs when they are announced. Thus, there is little knowledge about the longer-term consequences. Interpretations tend to be composed before or during the initial period of merging (Vaara & Tienari 2002, 278, 280). In this longitudinal study, discursive elements in the context of the merger between two universities are studied. Thus, on the basis of this case study, I am able to produce knowledge about the longer-term consequences of merging: before, during and after the merger.

The merger of the two university organisations occurs between equals in this case study. The aim of the merger was to gain synergy. Synergy, as Cameron & Green (2004, 195) state, refers to the idea that "the whole is greater than the sum of the parts". There is the potential ability of two organisations to be more successful when merged than they are apart. The gains of the merger are achieved through growth in revenue through the strengthened services of education and research. There are also cost reductions through economies of scale and financial synergies.

Cameron & Green (2004, 199) discuss the success factors related to mergers and present five critical areas that contribute towards successful integration of two or more organisations. The following factors are indicated: firstly, communicate constantly, secondly, get the structure right, thirdly, tackle the cultural issues, fourthly, keep customers (i.e. students) on board, and lastly, use a clear overall process. The merger is also a human transaction between people, therefore constant communication is needed to enhance relationships, establish trust, get people to think and innovate together and build commitment to a joint future.

Organisational structure is a challenging issue in a merger as Cameron & Green (2004, 202-203) note. The structure should be created in a way that it keeps the best of what already exists, while providing opportunities for renewal. The creation of the new structure should begin before commitments. The integration team should be used in the planning process.

Organisational cultural incompatibility might be a problem as Cameron & Green (2004, 203-304) stress when implementing a merger. The amount of cultural integration required depends on the reason for the merger. If core processes are to be combined in order to gain synergy, then integration is important and needs to be given management time and attention. The best way to integrate cultures is to get people working together and achieving results that could not have been achieved before the merger. Gradually, the people in the transforming organisation talk in terms of "us" instead of "them" and give up glorifying the past and "the good old days" or portray one party in the merger as "stronger" and the other as "weaker".

In the merger process between two university organisations, the students and stakeholders should also be noticed, in addition to the personnel. In order to make a merger succeed, clear principles should be defined for working with students and stakeholders as one team. Possible internal struggles over resources, students and territory cause ineffectiveness in the organisation. Instead, there should be behaviour for the best of the other party without opportunistic actions in the transforming university organisation in order to gain organisational competitiveness (Cameron & Green 2004, 207).

2.6.2 Structuration theory perspective

As bureaucracies are geared more to a stable environment, the dynamic perspective enables one to see bureaucracy, not so much as a social structure, but as a developmental stage through which organisations pass, as Hatch (1997, 173, 180) states. Organisations bring people into regular interaction with one another. Structuration theory (Giddens 1984) considers these repeated interactions to be the foundation of social structure.

In this study, the merger is about uniting two university organisations. As a consequence, more interaction, learning and adaptation are needed in the organisation. Structuration theory can be applied as a theory of trust-building in inter-organisational relationships by presenting trust as both an ingredient and an outcome of structuration processes. Structuration theory also distinguishes between personal trust and system trust, although they are inter-related (Sydow 2006, 378).

Trust may be seen as a mechanism which enables managers to achieve organisational openness both structurally and in relation to individual learning. While reducing social uncertainty and vulnerability, organisational competitiveness in areas such as flexibility, co-operation and learning, can be achieved. The social system which contains of the familiar rules, roles and routines in merging universities is in a state of flux. Inter-organisational trust is dependent on and mediated

by the institutional framework (legal framework, socio-cultural background) in which the relationship is embedded (Möllering et al. 2004, 558-560). Management in the organisation of teaching and research entails taking into account the organisational implications that flow from the nature of the academic work. There is a need to consider the power of academics as professionals and the centrality of disciplines and departments (Dearlove 1998, 60).

In structuration theory by Anthony Giddens (1984, xxxi), 'Structure' is regarded as sets of rules and resources recursively implicated in social reproduction. Institutionalised features of social systems have structural properties in the sense that relationships are stabilised. 'Structure' can be conceptualized abstractly as two aspects of rules – normative elements and codes of signification. There are also two kinds of resources: authoritative resources and allocative (material) resources.

Structuration theory suggests that social practices of human agents are built on the reflexive form of knowledgeability. Human agents have the capacity to understand what they do while they do it. A continuity of practices presumes reflexivity. Reflexivity may be seen as grounded in the continuous monitoring of action which human beings display and expect others to display. The reflexive monitoring of action is understood as a process in structuration theory. Structure exists as memory traces orienting the conduct of knowledgeable human agents (Giddens 1984, xxii, 3, 17).

Routinization is a fundamental concept in structuration theory. Routinization is vital to psychological mechanisms, whereby a sense of trust or ontological security is sustained. Repeated interactions are a foundation of social structure (Giddens 1984, xxiii). For example, employees whose offices are located side-by-side may exchange greetings and then remarks, and eventually form a friendship. Such repeated interactions give the sense that the structure is solid and stable. But in fact, social structures are highly dynamic and open to multiple small changes because they depend on the daily reproduction of the interaction patterns that constitute them. Eventually, the degree of stability of a particular structure depends upon the extent to which interactions become a matter of routine (Hatch 1997, 180).

Tradition is routine. The meanings of routine activities lie in the connection of tradition with a ritual. Ritual often has a compulsive aspect to it, but it is also deeply comforting, for it infuses a given set of practices with a sacramental quality. Tradition contributes in a basic fashion to ontological security, in so far as it sustains trust in the continuity of the past, present, and future, and connects such trust to routinized social practices (Giddens 1990, 105). The semester opening ceremony in a university organisation is a routine which gathers together university staff, students and stakeholders. The semester opening ceremony consists of a ritual, such as the rector giving the speech.

A change, such as a merger, in an organisation disturbs the interaction patterns. The social structure is opened to change. In the context of a merger, it is important to understand the interaction view of the structure. If the top manage-

ment decides to reorganise the organisation, the ultimate success of the reorganisation will depend upon individuals changing their daily patterns of interaction. Without this change, old patterns of relationships will be maintained and the intended reorganisation will not be achieved (Hatch 1997, 180).

Interaction between the new partners in the context of the merger in this study is vital in order to develop a functional 'new' university organisation. When interactions occur regularly, social structures become more visible. It is notable, as Hatch (1997, 180) states, that non-interaction among particular groups or individuals, for example between merging organisations, create gaps in the social structure of an organisation.

The structuration theory by Anthony Giddens (1984, 25) contains the idea of duality of structure; "…,the structural properties of social systems are both medium and outcome of the practices they recursively organise." Structure is made by interacting individuals whose activities are constrained by structure even as they form the patterns that could be recognized as structure. The structure is always both constraining and enabling.

The formation of a 'new' university organisation creates a novel organisational structure where the everyday practices of the members of the organisation construct the rules of organisation that they follow. Repeated and regular interaction between organisational members creates organisational structures enabling common routines and continuity in the 'new' organisation.

3 Trust and trust development

In this chapter I discuss trust and the trust development process. I define and discuss trust at an organisational level and in the context of the transforming university organisation.

Trust in the organisation is based on the evaluation of the organisations' trustworthiness as perceived by the employees and stakeholders (Tan & Tan 2000). Trustworthiness is defined with the concepts of ability, benevolence and integrity (ABI-model) presented by Mayer et al. (1995). Trust in the rector is accordingly extended with perception of role-based trust.

3.1 DEFINING TRUST

Trust is a multidisciplinary concept, and, therefore, disciplinary differences characterise definitions of trust. Economists tend to view trust through rational calculation or institutes. Psychologists usually discuss trust in terms of the attributes of trustors and trustees. Sociologists find trust in social relationships between people (Rousseau et al. 1998, 393). Scholars have seen trust as an essential part of a healthy personality, and as a basis for interpersonal relationships and cooperation (Lewicki et al. 1998, 438).

Trust is defined within management and organisation studies, recognizing the uncertainty, complexity, and change in the global environment. Trust and distrust have an impact on relationships and competitiveness. Research on trust in organisations has focused on understanding the efficiencies of trust and explaining its emergence (Lewicki et al. 1998, 438).

Trust is defined and discussed in management and organisation studies, e.g. by Savolainen (2014, 258) as follows, "Trust is as an essential intangible asset and skill in organisations and leadership." Trust creates and facilitates cooperation in an organisation. Trust forms an intellectual resource and is an influential force for leaders which enables them to build trustful interpersonal relationships between peers and a trustful organisational atmosphere as a whole. Leadership by trust is an invaluable skill and tool which can develop and sustain human intellectual capital for the vitality, innovativeness and competitiveness of organisations. Through openness and mutual interaction, individuals in an organisation may build stable relationships and bonds that cannot be easily broken. In the e-era, trust building creates added value, benefiting the entire organisation because competitive advantages strongly rest on creating and sharing knowledge.

3.2 DEFINING TRUST AT ORGANISATIONAL LEVEL

> "Trust may be defined as confidence in the reliability of a person or system, regarding a given set of outcomes or events, where that confidence expresses a faith in the probity or love of another, or in correctness of abstract principles."
> (Giddens 1990, 34)

Trust is an elusive concept to define. The trust definition by Anthony Giddens (1990, 34) is applied in this case study because trust is explored from an organisational level perspective. Organisational level trust is found in Giddens' definition (1990, 34) referring to the concept of "system trust". In a university organisation we find knowledge, ability, traditions, routines, integrity, rituals and benevolence which resonate with ontological security and a sense of trust.

In economic and organisation theories, trust has been conceded to be the most efficient mechanism for governing transactions (Blomqvist 1995, 3). As Bachmann (2006, 399) states, trust is a resource in organising individual and organisational relationships. Trust can save transaction costs (Dei Ottati 1994; Zaheer et al. 1998) because expenditures, such as monitoring efforts, as well as time and emotional disadvantages are reduced (Bachmann 2006, 399). Thus, more efficient management is achieved. Trust (Zaheer et al. 1998, 141) can also be a source of competitive advantage (Gulati 1995; Barney & Hansen 1995).

There is no need for trust in two situations. If there is a situation of the perfect knowledge or it there is a situation of the complete ignorance, they would eliminate the need for trust (Möllering 2001, 406). Thus, in a situation of total ignorance, it is possible to have only faith or to gamble. On the other hand, in the case of perfect information and knowledge, trust is replaced by rational calculation (Blomqvist 1995, 10).

The concept linked to trust is confidence. When discussing the nature of trust, Möllering (2001, 406) cites Simmel (1950) declaring 'confidence is intermediate between knowledge and ignorance'. The notion of risk separates the concept of confidence from trust. Mayer et al. (1995, 713) note that Luhmann (1988) argued trust differ from confidence because trust requires a previous engagement on a person's part, recognizing and accepting that risk exists. Therefore, the trustor has an explicit recognition of risk. Despite the risk, the trustor has 'the willingness to be vulnerable' which is defined as trust according to Mayer et al. (1995, 712).

Trust in symbolic tokens or expert systems, as Giddens (1990, 33-34) states, 'rests upon faith in the correctness of principles of which one is ignorant, not upon faith in the good intentions of others,' (Giddens 1990, 33-34). Giddens continues that 'trust in persons is always to some degree relevant to faith in systems, but concerns their *proper* working rather than their operation as such,' (Giddens 1990, 33-34).

The transformative nature of human action is characteristic to modern society. Modern social institutions and organisations are dynamic. As Giddens notes (1990, 34) 'The concept of risk replaces that of *fortuna*.' and continues 'The idea of

change, in its modern senses, emerges at the same time as that of risk,' (Giddens 1990, 34). Therefore as Giddens (1990, 35) continues 'Anyone who takes a "calculated risk" is aware of the threat or threats which a specific course of action brings into play.'

Giddens (1990, 35) notes that risk and trust are intertwined. Trust serves to reduce or minimize the dangers or risks. The experience of security usually rests upon a balance of trust and acceptable risk. As Giddens states (1990, 35) 'In all trust settings, acceptable risk falls under the heading of "weak inductive knowledge"'. Therefore, as Giddens (1990, 35) notes, there is a balance between trust and the calculation of risk. What is assessed as '"acceptable" risk varies in different contexts, but is usually central in sustaining trust,' as Giddens (1990, 35) continues. Giddens (1990, 36) stresses that the discussion of the definition of trust does not define the opposite of trust. He further states, 'the opposite of trust is not simply mistrust,' (Giddens 1990, 35).

The definition of trust by Mayer et al. (1995, 712) is widely cited in organisational studies;

> "… the willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party." (Mayer et al., 1995, 712)

There is also popular trust definition used among researchers by Rousseau et al. (1998, 395);

> "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another." (Rousseau et al., 1998, 395)

The trust development process is examined at an organisational level in this study. Therefore, a definition of an organisation is presented. It seems that the explicit definition of an organisation is easier to make that it is for the concept *trust*. The following is one example according to Hall & Tolbert (2005, 4-5) and is applicable to a university organisation;

> "An organisation is a collectivity with a relatively identifiable boundary, a normative order (rules), ranks of authority (hierarchy), communications systems, and membership coordinating systems (procedures); this collectivity exists on a relatively continuous basis, in environments, and engages in activities that are usually related to a set of goals; the activities have outcomes for organisational members, for the organisation itself, and for society." (Hall & Tolbert, 2005, 4-5)

On the other hand, an organisation can be defined from the perspective of 'organising' as a process (Mumby and Clair (1997) or 'organisational becoming' (Tsoukas and Chia 2002) stated in Fairclough (2005, 917):

> "…organisations exist only in so far as their members create them through discourse. This is not to claim that organisations are "nothing but" discourse, but rather that discourse is the principal means by which organisation members create a coherent social reality that frames their sense of who they are." (Mumby and Clair 1997)

As there are multiple levels in an organisation, trust also operates at different levels. Trust can be explored at the individual, team and organisational levels of analysis (Fulmer & Gelfand 2012, 1168). In this research, trust is analysed at the organisational level. The university organisation is seen as an important internal factor (Bachmann & Inkpen 2011) itself for the trust development in this research.

Therefore, the trust definition proposed by Fulmer & Gelfand (2012) concerning trust in an organisation at the organisational level is partly applicable in this research. Trust is defined by Fulmer & Gelfand (2012, 1174) as follows:

> "a shared psychological state among organisational members comprising willingness to accept vulnerability based on positive expectations of an organisation." (Fulmer & Gelfand, 2012, 1174)

The definition of trust as a "shared psychological state" is not totally feasible in this study. This is because the dynamic perspective of trust development requires a process view and the static perspective of trust as "psychological state" is only party fitting. Therefore, trust is viewed as trusting (Möllering 2013, 286). Trusting as a process is linked to the trust definition by Mayer et al (1995, 712) 'the willingness of a party to be vulnerable' and can be interpreted according to Möllering (2013, 286) as how such a willingness is generated, maintained, applied and maybe lost in an organisation.

Blomqvist (1995, 24) notes that the time-dimension is robust in trusting. Trust between partners could be seen as a bridge between their past experiences and anticipated future (Salmon 1994). The level of trust in a relationship is constantly transforming as trust might grow or wither (Blomqvist 1995, 24).

When two university organisations merge, a 'leap of faith' has been taken. The risk is accepted. According to Möllering (2006, 110), there is a process that enables actors to cope with uncertainty and vulnerability. Possible doubts are suspended and the other party is assumed to be trustworthy. As Bachmann & Inkpen (2011, 284) note, through 'a leap of faith', trust transforms uncertainty into the assessable risk that a trustor is prepared to accept and thus creates opportunities for an interaction which might otherwise not exist. Therefore, trust may be defined according to Möllering (2006, 111) as:

> "Trust is an ongoing process of building on reason, routine and reflexivity, suspending irreducible social vulnerability and uncertainty as if they were favourable resolved, and maintaining thereby a state of favourable expectation towards the actions and intentions of more or less specific others." (Möllering 2006, 111)

3.3 ORGANISATIONAL TRUSTWORTHINESS

Trust is seen as a critical success element for most business, professional, and employment relationships in an organisation (Lewicki& Buker 1996, 112). Fulmer & Gelfand (2012, 1168) stress that decades of research have emphasised the central role of trust in organisations. At an individual and team level between peers and between a leader and subordinates, trust enhances outcomes, such as employee satisfaction, effort and performance, collaboration and teamwork, leadership effectiveness, human resource management perceptions and negotiation success. At an organisational level, trust is encompassed as a driving force in organisational change and survival, strategic alliances and mergers (Fulmer & Gelfand 2012, 1168).

The ability to create trust is valuable to the creation of new ideas, for example, when knowledge is pooled in inter-organisational relationships (Bachmann & Inkpen 2011, 281). The merger of two university organisations pooled the knowledge of two university organisations, and if trust evolves in the transforming organisation, the competitiveness of the larger entity will be enhanced.

Organisational trust is discussed by Vanhala (2011, 31) to refer to the expectations individuals have from networks of organisational relationships and behaviours. Organisational members form perceptions of both individual and organisational trust. Trusting a person and trusting in an organisation are seen by Blomqvist (1997) as two different things according to Vanhala (2011, 32). Trust in an organisation is based on the way it performs, and whether the organisation performs in a "trusting" way. The perception may originate from the manager's personality, or from a decision-making structure and organisational culture.

Trust initiates and develops in an organisation on the basis of a cognitive evaluation of a trustee's trustworthiness. The ability is one of the three factors of trustworthiness presented by Mayer et al (1995, 717). The ability of an organisation consists of skills, competencies and characteristics of an organisation. The ability of a senior manager (rector), as a trustee, occurs in a similar way.

Integrity is the second factor of trustworthiness presented by Mayer et al (1995, 719). The effect of integrity is most essential to trust in the early stages of a relationship as Mayer et al (1995, 722) state. Integrity includes features of the trustee, such as (Fulmer & Gelfand 2012, 1172) reliability, fairness, justice and consistency, which the trustor considers acceptable. Schoorman et.al (2007, 345-346) states that in an organisational level analysis, viewing the trustee in terms of ability and integrity seems to be well accepted. Integrity at an organisational level is seen in this study to be tied to formal organisational structures and dependent on organisational-specific attributes (Zucker 1986, 100) and based on organisational arrangements (Bachmann & Inkpen 2011, 285). Judgements of ability and integrity form quite quickly in the course of the relationship.

Benevolence is the third factor of trustworthiness (Mayer et al. 1995, 718-719). Benevolence includes the notion that the trustee wishes to do good for the trustor, rather than having an opportunist motive, and has a degree of attachment to the trustor (Schoorman et. al 2007, 345). The impact of benevolence of trust increases

with interaction over time as the relationship develops (Mayer et al. 1995, 722). The bonding of benevolence takes more time. However, the factor of benevolence has received little attention at an organisational level analysis, according to Schoorman et al. (2007, 345).

Organisational trustworthiness related to benevolence is defined in this study in line with Gillespie & Diez (2009, 128) as perceived organisational action indicating genuine care and concern for the well-being of employees, students and stakeholders. In the context of this case study, the perceptions concerning benevolence may also be found among the idea of the organisation based on the legislation (the Universities Act). There is also a common organisational ethos (Fairclough 1992, 143) related to benevolence to be found in a 'new' organisation among the major scientific fields of education and medicine.

The trustworthiness of the senior manager (rector) is seen in this study to be constructed from ability, benevolence and integrity. As Schoorman et al. (2007, 346) state, trust of the management is critical in understanding organisational trust, since it is this level of trust that will govern the strategic actions of the organisation. In line with Tan & Tan (2000) it is seen in this study that trust in the rector may be extended to trust in the transforming university organisation. Trust in the rector is also seen to be based on the role of the rector. I illustrate the organisational trust in this case study in Figure 3.

Just like perceptions of an individual's ability, benevolence, and integrity will have an effect on how much the individual is trusted and these perceptions also have an impact on how much the organisation is trusted (Shoorman et. al 2007, 345). The organisational trustworthiness is a function of the ability, benevolence and integrity of an organisation. The development of trust in a transforming university organisation in the context of a merger consists of the perceptions of the university community, as well as stakeholders regarding the ability, integrity and benevolence of the organisation.

Trust is not only a matter of the trustworthiness in the transforming university organisation or the rector. Trust in a transforming university organisation is also affected by the propensity of the university community and stakeholders to trust in it. So it is not only the trustworthiness of the organisation that matters, but also the characteristics of the trustor, i.e. a general willingness to trust others. As Möllering (2006, 79) argues, trustors (i.e. professionals, employees, students, and stakeholders) cannot only passively wait for trust to emerge in the right conditions. Trustors can actively work on trust and formulate a continuous process of trust constitution by signalling, and engaging in communication, interaction and interpretation. People with various developmental experiences, personality types, and cultural backgrounds differ in their propensity to trust. (Mayer et al. 1995, 714-715). As with individuals, Schoorman et al. (2007, 346) propose that some organisations develop greater propensities to trust than others do. At an organisational level, the propensity to trust is affected by geographic, industry and economic histories. Furthermore, trust can be a source of competitive advantage of a university organisation.

According to Fulmer & Gelfand (2012, 1198), organisational trust in an organisation means that members of the organisation identify (Maguire & Phillips,

2008) with the organisation. Trust in a university organisation means that there is "a willingness to accept vulnerability, based on positive expectations towards the organisation" among the university community and the university institution.

Organisational trust can be considered routine trust, and it comes into question especially with the long-term, institutionalized relationships (Noorderhaven 1992). Institutions can enhance trust by producing common routines and rules which might be formal or informal. The members of the organisation guided by this knowledge of the patterns of behaviour carry trust within their social relationships. Therefore, institutions are important for trust development by giving and producing shared common knowledge. According to this knowledge, the members of a university organisation accomplish their daily routines (Blomqvist 1995, 26). According to Giddens (1984, xxiii), routinisation is a vital mechanism which sustains a sense of trust or ontological security.

Organisational trust development involves both macro-level arrangements and interpersonal interaction-based elements of trust development (Bachmann & Inkpen 2011, 283). First, trusting another organisation is based on interaction and an assessment of the other party's ability, integrity and benevolence at an interpersonal level. However, at an inter-organisational level, it might not always be possible to gain face-to-face contacts with the members of the other organisation. Therefore, the trustee and trustor may not know each other. In this case, the organisation functions as a 'third-party guarantor' in the trust development process at an inter-organisational level. So, secondly, trust develops with the help of the organisation which is known to and trusted by the members of the organisation (Bachmann & Inkpen 2011, 284).

As Bachmann & Inkpen (2011, 285) note, the ability to trust the organisation is based on the organisational arrangements (Zucker 1986). Organisational trust is established by creating a 'world-in common' (Garfinkel), which means that there is shared explicit and tacit knowledge between the trustor and trustee. In these circumstances, an individual or organisational actor finds good reasons to trust another actor, which might be an individual or organisational (i.e. not known personally to the actor), because organisational arrangements are, like a personal third party guarantor, capable of reducing the risk that a trustee will behave in an untrustworthy manner. Consequently, the trustor can invest trust in the relationship and actually make a 'leap of faith' (Bachmann & Inkpen 2011, 285).

Communication is another key antecedent at the organisational level (Fulmer & Gelfand 2012, 1199). Two-way communication facilitates organisational trust in organisations. For shared organisational trust in co-workers, research has shown the positive effects of relational and commitment-based practices and policies, such as a relationship-oriented culture that focuses on promoting positive relations among employees, informal meetings, and development of employee competence. Supportive employment practices and management competence lead to perceptions of organisational trustworthiness among employees. Other organisational practices, including fair, transparent and coherent policies, can also facilitate shared organisational trust in organisations (Fulmer & Gelfand 2012, 1200).

3.4 THE IMPACT OF TRUST IN AN ORGANISATION

Research is beginning to show that organisational trust in organisations has important consequences concerning attitudes and preferences. When organisational members share high degrees of interpersonal trust, members also share high levels of compassion for one another (Fulmer & Gelfand 2012, 1200). Shared trust in an organisation has been found to ease the introduction of organisational change (Fulmer & Gelfand 2012, 1201).

In inter-organisational relations, organisations are likely to choose an alliance partner based on inter-organisational trust and are less likely to search for alternative partners as a result. When inter-organisational trust is high, satisfaction with the partner and the relationship, willingness to support the partner, and evaluation of the partner performance are also high (Fulmer & Gelfand 2012, 1201).

Trust at an organisational level has implications on knowledge sharing and learning outcomes. Shared interpersonal trust among employees in organisations facilitates their engagement in learning by experimenting, which can be effective for continual performance improvement. A climate of interpersonal trust combined with cooperation and shared language and lingo used in communication have been found to increase knowledge exchange, which has a positive effect on firm performance including sales growth and new product revenue (Fulmer & Gelfand 2012, 1201). When trust has been built through management discourse, interaction and organisational procedures, and trust exists between peers and in the organisational structures, social and cultural capital is formed. In a university organisation, this means better teaching, research and fruitful cooperation with the environment. I discuss the social and cultural capital of a university organisation in Chapter 6.

During organisational transformation, organisations need to solve problems of internal integration in addition to problems of external adaptation. Internal organisational questions consist of determining membership in the organisation, as well as the basis for determining status and power, criteria and procedures for allocating rewards and punishments. Additionally, it is necessary to form an ideology to explain unpredictable and uncontrollable events, and specify rules or customs on how to handle aggression and intimacy, and to develop shared lingos i.e. consensus about the meaning of words and symbols (Yukl 2010, 304). Trust management, which I introduce as a contribution of this study, relates to the potential and development of social and cultural capital which enhances after-merger integration and assists more effective adaptation to continuous change.

Organisational trust in organisations has been found to increase organisation-specific knowledge resources. Knowledge transfer and inter-organisational learning are important outcomes of inter-organisational trust with implications for firm competitiveness. The effect of inter-organisational trust is particularly strong when the organisations are highly interdependent and the environment is competitive, or when the knowledge is tacit rather than explicit (Fulmer & Gelfand

2012, 1201). Due to the merger of university organisations, multidisciplinary research teams and novel interdisciplinary educational programmes are facilitated.

Communication, cooperation and reduction of conflicts are outcomes of trust at an organisational level. Collective perceptions that the organisation is trustworthy can decrease conflicts between employees and management. The positive effects of inter-organisational trust have been shown to include: decreased negotiation costs and less conflict, reduced transaction costs, contract flexibility, contract compliance, positive interaction patterns, willingness to cooperate, and continued and increased collaboration (Fulmer & Gelfand 2012, 1201).

As Fulmer & Gelfand (2012, 1202) state, given these beneficial effects of trust in organisations, it is not surprising that organisational trust also affects performance and organisational vitality. Especially in the case of a merger, organisational trust during the organisational transformation process, risk taking and moving towards the unknown and unpredictable, produces organisational vitality, as Savolainen (2011, 117-141) states. A climate of interpersonal trust moderates the relationship between a positive climate, organisational-level employee productivity and task performance (Fulmer & Gelfand 2012, 1202). Savolainen (2011, 117-141) notes that when there is trust in an organisation, as a consequence there is also the space to concentrate on core operations. The organisation produces results instead of games, politics or control.

The trust development process is facilitated through management. Trust is emphasised in knowledge-intensive organisations where innovativeness and creativity is needed (Savolainen 2011, 117-141), such as in a university. Freedom, as well as a favourable attitude and environment are needed in a university organisation. However, creativity and great ideas cannot be forced (Savolainen 2011, 117-141; Kekäle 2001, 173). Creativity in teaching and research is generated in academic freedom. Nevertheless, there are routines in research and teaching that should be managed, organised and scheduled.

3.5 DEFINING ORGANISATIONAL TRUST IN THE STUDY

Trust in the rector and trust in the transforming university organisation are seen as related phenomena in this study (see Figure 3). Trust is discussed as a macro-level concept. Trust is seen as an organisational level phenomenon because this research is conducted from the manager's i.e. the rector's perspective.

The rector as a trustee in this research represents the university organisation, which is a trustee as well. The transforming university organisation as a trustee is considered to be able to perform similarly to a third party guarantor (Bachmann & Inkpen 2011, 285) reducing the risk that the organisation will behave in an untrustworthy manner.

The trustworthiness of the transforming university organisation and of the rector as a manager and representative of the university organisation is highlighted. The rector of a former university organisation was nominated to act as the

first rector of the new organisation after the merger in this case study. Therefore, this can be interpreted to imply that the rector was trusted within the 'new' university organisation after the merger. The rector as a manager in a university organisation plays a key role in the creation of the new and novel orientation and in promoting cooperation.

Trust in an organisation can be based on trust in the people in it. Trust can be affected by organisation communication, which aims to project a certain image. But, the ultimate proof lies in the performance of its members. Particularly importantly for the perceptions that underlie trust in an organisation is the public conduct of the organisations' managers and the role of the manager that connects the university with its students and stakeholders (Nooteboom 2002, 75; Savolainen et al., 2014). The rector acts as a 'boundary spanner' (Schilke & Cook 2013, 283), who negotiates with stakeholders and with the partner university.

Trustors include the persons within the university community; i.e. professionals, employees, and students, and outside the university; i.e. stakeholders, as I illustrate in Figure 3. Trust in the transforming university organisation encompasses the whole organisation's trustworthiness (Tan & Tan 2000, 243) as perceived by the trustors, which mean that (Fulmer & Gelfand 2012, 1198) members of the organisation identify (Maguire & Phillips 2008) with the organisation. Trust in the university organisation means that there is "a willingness to accept vulnerability based on positive expectations of the organisation" (Fulmer & Gelfand 2012, 1198) among the university community and stakeholders. Trust reflects "the willingness of a party to be vulnerable to the actions of another party, based on the expectations that the other will perform a particular action important to the party" (Mayer et al., 1995, 712.). Similarly, as perceptions about an individual's ability, benevolence, and integrity will have an impact on how much an individual is trusted, these perceptions also affect the extent to which an organisation will be trusted. Each of these dimensions of trustworthiness is defined so that it could be applied to interpersonal, as well as inter-organisational levels of analysis (Schoorman et al. 2007, 345).

In this research, it is assumed that it is possible for a trustor to trust both the manager, i.e. the rector, and the organisation, i.e. the transforming university. The rector is seen as a representative of the university organisation. Trust in the rector may extend (Tan & Tan 2000, 242) to trust in the university organisation.

In this research, it is seen that trust in the university organisation is associated with perceived organisational trustworthiness identified by Mayer et al. (1995) and adapted to the organisational level (Gillespie & Dietz 2009, 128). Perceived organisational trustworthiness relates to three dimensions: ability, benevolence and integrity. Organisational ability is seen as the transforming of the university organisation's collective competencies and characteristics that enable it to function reliably and effectively to meet its objectives. Organisational trustworthiness relates to benevolence (Gillespie & Dietz 2009, 128), which is seen as a university organisation's action indicating care and concern for the well-being of the university community and stakeholders. Benevolence (or goodwill) may be seen as an

opposite to opportunism (Nooteboom 2002, 51). In this study, benevolence (as an organisational action) is also seen as an implicit factor, such as culture and ethos. Organisational trustworthiness also relates to integrity. Organisational actions, which the university community and stakeholders find acceptable and which are consistent to moral principles, norms and conducts, such as equity and fairness, reflect integrity.

Trust in the rector is seen (Tan & Tan 2000, 243) to follow the trust definition by Mayer et al. (1995) as the willingness of the university community and stakeholders to be vulnerable to the actions of the rector's behaviour and actions he or she cannot control. The trustworthiness of the rector is perceived on the basis of ability, benevolence and integrity (Mayer et al. 1995) and the factors related to these dimensions. Trust in the rector is based on the role of the rector, as well (see Figure 3.).

Hence, trust may be seen as a "meso" concept (Gillespie &Dietz 2009, 128; Schilke & Cook 2013, 283). Trust integrates micro-level psychological processes and group dynamics with macro-level organisational and inter-organisational forms. In this study, the level of analysis is at an organisational (macro) level because I use the rector's speeches as the primary research material. There is also an inter-organisational level analysis in this study as the trust development process is explored in the context of the merger of two universities.

The rector is responsible for communicating the organisational policies and goals to the university community and stakeholders outside the organisation. By giving the annual university semester opening speech, the rector (i.e. trustee) develops trust in the transforming university organisation (i.e. trustee). The discourse of the rector is directed to persons within the university community (professionals, employees, and students, i.e. trustors) and outside the university to stakeholders (i.e. trustors), as I illustrate in Figure 3. On the basis of the rector's discourse the university community and stakeholders form expectations about the intentions and behaviours (Möllering et al. 2004) of the transforming university organisation.

I illustrate the organisational trust in the framework of this study in Figure 3. In Figure 3, I separate the discourses within the organisation and outside the organisation for analytical reasons, but the discourses and themes within the discourses may be interrelated and overlapping. The management talk of the rector as manager is interpreted as developing trust within and outside the transforming university organisation. The employees and students meet the rector's discourse within the organisation. The managerial discourse within the organisation is interpreted as managerialism, professionalism and democracy. Outside the university organisation, the bureaucracy discourse meets the environment and stakeholders at global, national and local level. The rector's discourse also influences the organisational reputation and brand. Trust in the rector is based on his ability, integrity and benevolence (Mayer et al. 1995) and role-based trust. Trust in the university organisation is based on organisations' trustworthiness (Mayer et al. 1995; Tan & Tan 2000; Schoorman et al. 2007; Gillespie & Dietz 2009), as I illustrate in Figure 3.

The management change and trust development process in a transforming university organisation is explored within management discourses of bureaucracy, professionalism, democracy and managerialism, which are identified in the rector's speeches. I will present and discuss the management discourses in Chapter 5. I will discuss trust in the rector and merger as a 'leap of faith' and the trust development process in a transforming university organisation in Chapter 6. Trust as social and cultural capital is presented in Chapter 6 and forms an essential part of the trust management model which I introduce in Chapter 7.

ORGANIZATIONAL TRUST

Based on an organisations' trustworthiness (Mayer et al. 1995; Tan & Tan 2000; Schoorman et al. 2007; Gillespie & Dietz 2009):

Ability

Benevolence

Integrity

Trust within the organisation

Trust outside the organisation

Managerialism

Management procedures

Professionalism

HRM practices

Democracy

Good education

Bureaucracy

National level

politics

Stakeholders

local level; attractiveness

Global level

Trust in the rector

The rector as a manager

Role-based trust and trustworthiness based on:

Ability

Benevolence

Integrity

Figure 3: Organisational trust in the case study - trust development in the transforming university organisation

4 Methodology

In this chapter, I discuss the scientific and methodological choices made in this study. Critical discourse analysis (CDA) is applied as a theoretic-methodological framework (Fairclough 1992) in the study. On the basis of the rector's discourse, the university community and stakeholders form expectations about the intentions and behaviours of the transforming university organisation.

There are four discourses of university management identified and introduced in the rector's speeches: bureaucracy, professionalism, democracy and managerialism. The management change in the transforming university organisation is analysed within the framework of these management discourses.

In this longitudinal case study, the trust development process is captured within the discourses of professionalism, bureaucracy, democracy and managerialism described above.

The temporal progression of management change and organisational transformation is empirically captured in the rector's discourse during 1998-2014. This longitudinal case study utilises a process perspective. Trust is viewed as a dynamic and continuous phenomenon that appears with a different character in the early, developing and "mature" stages of the relationship.

The merger is described as an ultimate organisational change. The merger is discussed in this study as 'a leap of faith' (Möllering 2006). The process of trust development in the transforming university organisation is identified.

The trust development process from the perspective of the relationship between two university organisations is explored by combining two models. First, the trust development process is analysed on the basis of Lewicki & Bunker's (1996) three-stage model of trust development in a (professional) relationship. The developmental process of the cooperative inter-organisational relationship between the two university organisations is examined by applying the framework presented by Ring and Van de Ven (1994).

4.1 QUALITATIVE CASE STUDY

My interest in studying management change and trust originates from the notion that there were phrases and expressions used in a university organisation which were more commonly heard in business talk. On the other hand, there was a persistence in the university organisation to stay far away from the business organisation pattern. A business orientation brings fear and suspicion to the university organisation.

The management change from that of collegial decision making and bureaucracy towards managerialism in university management has created a need for research that brings new knowledge forward to help decision making and organisational development in universities. In this research, novel knowledge for contemporary university management is provided by illustrating trust management.

I conducted this research by using a qualitative research method. The qualitative research approach (Eriksson & Kovalainen 2008, 4) in this study examines the characteristics of language used in the rector's speeches during 1998-2014. The language and discourse used in the speeches constructs the social reality in the transforming university organisation which is the context of the research. Utilising a qualitative approach, it is possible to reach an interpretation and understanding of the management change and trust development process in a transforming organisation, which in this case is the merger of two university organisations.

This study is based on the ontological assumption in which reality is understood as being subjective. Reality is based upon perceptions and experiences which might appear differently for each person and change over the course of time and in context (Eriksson & Kovalainen 2008, 13). In other words, the social reality is constructed subjectively.

Constructionism assumes that the social reality is produced through social interaction (Berger & Luchmann 1972, 15). The views and understandings of social reality can be changed through interaction. Therefore, as Eriksson & Kovalainen (2008, 14) stress, a subjectivist view of ontology (i.e. constructionism) assumes that the reality constructed by the subject is an output of social and cognitive processes. For this reason, no two identical realities can exist. The social constructionist view stresses that reality does not exist outside individuals, instead 'reality' is always (Blaikie 1993) about an individuals' and groups' interpretations (Eriksson & Kovalainen 2008, 14).

The rector acts as the senior manager in the university organisation. The rector in this case study is a professor and researcher of human geography. One actor serves as the rector during the research period covering the years 1998-2014. The rector has an academic identity. Therefore, the identity of the rector as a manager is socially constructed in the university organisation context.

In this research, management discourse in a university is constructed and interpreted from the speeches of the rector. The trust development process in the transforming organisation is also constructed from the speeches. An interview with the rector, which was conducted at the end of the rectorship period on November 2014, enlightens the processes retrospectively. The language and shared meanings in the discourse examined in this study construct the social reality and share that constructed reality.

As Eriksson & Kovalainen (2008, 19) states, the philosophical base of interpretative and constructionist research is in hermeneutics and in phenomenology. These philosophical approaches have influenced the social construction of reality (social constructionism), which was introduced by Berger and Luckmann in 1966.

As Eriksson & Kovalainen (2008, 20) state "social constructionism seeks to understand how the seemingly 'objective' features, such as industries, organisations and technologies, are constituted by subjective meanings of individuals and intersubjective processes, such as discourses," (Eriksson & Kovalainen 2008, 19-20).

In this research, the focus lies on the content of the empirical data. But in line with interpretative and constructionist research (Eriksson & Kovalainen 2008, 20), this research also focuses on how the contents of empirical data are produced through language practices and social practices in the university organisation.

A case study approach is used in this study as a research strategy (Yin, 1994, 1). The context of this case study is a transforming university organisation. The main focus of the study is one organisation (the University of Joensuu), but a merger brings another university organisation (University of Kuopio) into the picture. This research is accomplished as an intensive single-case study (Eriksson & Kovalainen 2008, 118) in order to generate as much understanding and interpretation of one case as possible.

4.2 CRITICAL DISCOURSE ANALYSIS (CDA)

This research draws on the theoretic-methodological framework of critical discourse analysis (Fairclough 1992). The use of language is seen as an action. The rector is describes, structures, organises, reproduces and transforms the management of the university through language. Therefore, the discourse reproduces the social practice, but on the other hand the discourse also transforms the social practice. As Fairclough (2005, 918) notes "organisational structures themselves have a partly linguistic/semiotic character." Therefore, the 'social practices' as Fairclough (2005, 918) argues "mediate the relationship between structures and processes (and events)" in an organisation.

Definitions and orientations (Fairhurst 2011, 496-497) toward the term 'discourse' vary. Fairclough (2005, 925) conceptualises discourse as "a particular way of representing certain parts or aspects of the (physical, social, psychological) world." This case study fits into the grand discourses (Alvesson & Karreman 2000, 1127) of the day, such as "the organisation was shaped in order to compete in a global market economy".

Fairclough (1992, 63-65) defines discourse as the use of language as a form of social practice about producing meaning and value in social life, what people say and what they keep silent (Eriksson & Kovalainen 2008). Talk and language (text) is socially constituted because it is shaped by social and historical forces, which are beyond the control of individuals. At the same time, however, talk (language, text) constitutes people's lives together by specifying, creating, maintaining, and changing the frames of their action (Fairclough 1992, 63-65).

My interest in this study is to explore and understand the ways in which language and communication through the rector speeches are formulated in order to produce change in management and trust in the transforming university or-

ganisation. As Eriksson and Kovalainen (2008, 227, 228) state, discourse analysis examines written or spoken texts and explores meanings that are produced and mediated textually. The discourse is the way an issue is 'spoken of'; furthermore, a discourse produces the 'truth' about objectives that they speak of.

Discourse is the language practice through which the logics of management in the university and the trust development process are constructed in this research in the rector annual speeches. The analysis of the rector's speeches reveals the change in the management and trust development process in the transforming university organisation.

The rector as a senior manager has a great deal of power in the university organisation. The assumption of power is essential in critical discourse analysis, as a theoretic-methodological framework. Teun A. van Dijk (2001, 354) defines (social) power in terms of control. The actor has power if the actor is able to control the acts and minds of others. This ability entails a power base of privileged access to scarce social resources, such as money, knowledge, information, status, or various forms of public discourse and communication. Different types of power may be distinguished according to various resources employed to exercise such power (van Dijk 2001, 355).

There is also a hidden power to consider. It is the power to constrain content: to favour certain interpretations and 'wordings' of events, while excluding others. There are power-holders in society and in organisations who can favour certain interpretations and wordings. As a consequence, hidden or disguised power is exercised (Fairclough 1989, 41-43).

The rector in the university organisation has the power of authority as a senior manager. The rector has access to financial resources in the university organisation. The rector participates in public discourse and communication and represents the university organisation. The rector is able to influence the acts and minds of the university community discursively. This enables the rector to transform the management and implement the trust development process (language as action) in the transforming university organisation.

In this study I explore and interpret the university management discourses in the annual university semester opening ceremony speeches which are given by the rector during 1998-2014. I implement the analysis drawing on the theoretical-methodological framework of critical discourse analysis (CDA) developed by Norman Fairclough (1992) and his colleagues. The management discourse directs the actions at the university, but the actions may also direct the management discourse. These actions are made discursively by the rector. By utilizing CDA, it is possible to examine the 'effects' that the power invested in discourse mobilises (Fairclough 1995a, 43) (Kivijärvi 2013, 18).

Within the speeches, the rector gives voice as a manager in his management position and influences his followers. According to Fairclough (1992, 64) discourse is a mode of action and a mode of representation. There is a dialectical relationship between social practice and social structure. The social structure is both a condition for and an effect of the social practice. The discourse is shaped and

constrained by social structure. Specific discursive events vary in their structural determination, according to the social domain or institutional framework in which they are produced. The discursive event where the discourse is presented in this study is a university annual opening ceremony.

4.2.1 CDA as a theoretic-methodological framework

The relationship between discourse and social structure should be seen, according to Fairclough (1992, 65), dialectically. This is to avoid the pitfalls of overemphasising the social determination of the discourse (as a pure reflection of social reality) and the construction of the social reality in the discourse (idealistic view of discourse as the source of the social reality).

As Eriksson & Kovalainen (2008, 234) note, many business researchers draw on Norman Fairclough's and his colleagues' critical discourse analysis (CDA). As Vaara & Tienari (2008, 986) note "CDA involves a built-in critical stance." What makes critical discourse analysis critical is that CDA addresses the issues of social power by elites, institutions or groups that result in social inequality, including political, cultural, class, ethnic, radical and gender inequality (van Dijk 1995). (Eriksson & Kovalainen 2008, 235) As Alvesson and Karreman (2000, 1131) state, critical discourse analysis (Van Dijk 1993) takes account of the relationships between text, social cognition, power, society and culture and is, therefore, multidisciplinary in nature.

I apply CDA in this research focusing on the ways that management discourses are reproduced in written texts (speeches). The interview with the rector enlightens the management discourses and provides a retrospective view of the process. According to Eriksson & Kovalainen (2008, 235) "CDA's locus of critique is on social structure and the relationships between language, discourse, and speech." As Eriksson & Kovalainen (2008, 235) continue, "Overall, performing CDA is a moral project, as it impinges on uncovering the ways and forms of power relations and ideologies."

This research does not aim to be a moral project, but adopt a neutral stance towards the object of the study. The aim of this study is to explore and identify the management discourses and describe management change by analysing the discourses at three levels (Fairclough 1992): micro-level textual elements, discursive practice (text production and interpretation), and social practice (the situational and institutional context). The trust development process in the transforming university organisation in the context of the merger of two university organisations is analysed. It is assumed in this study that the rector has power in the university organisation, and, through discourse, the rector can implement change.

As Fairclough (1992, 64) states, discourse is socially constitutive (i.e. includes discursive formation of objects, subjects and concepts). Discourse contributes to the constitution of all those dimensions of social structure which directly and indirectly constrain it: its own norms and conventions, as well as the relations, identities and institutions which lie behind them. Discourse is the practice of rep-

resenting the world and also signifying the world, constituting and constructing the world through meaning.

Furthermore, as Eriksson & Kovalainen (2008, 236) note, in CDA language is viewed as a form of social practice. Therefore, the focus in CDA is on the ways in which social and political domination are reproduced in texts and talk (Eriksson & Kovalainen 2008, 236). The discourse of the rector in the university organisation contributes its norms and conventions, relations, identities and institution. Discourse is not only the representation of the world or phenomenon. The discourse of the rector signifies the world around the university organisation, constituting and constructing that world. In this study I adopt discourse analysis as a method for analysing the social construction of organisational phenomena in textual form (Vaara & Tienari 2002, 279).

4.2.2 Implementing CDA

Fairclough (1992, 72-72) introduces a three-dimensional framework for studying discourse. As Eriksson & Kovalainen (2008, 236) state, the first-dimension in the CDA analysis is discourse-as-text. This examines linguistic features and organisation of concrete actions of discourse in the first-dimension. This part of CDA consist of a systematic analysis of choices of words, patterns in vocabulary (wording, metaphor), grammar (modality), cohesion of the text and text structure (Eriksson & Kovalainen 2008, 236). The discourse-as-text used in this study are the rector's annual semester opening ceremony speeches during 1998-2014. The text forms the basis for the micro-level analysis of the discourse.

The second dimension of CDA is as Eriksson & Kovalainen (2008, 236) state "discourse-as-discursive-practice". Discourse is understood as something that is produced, consumed, and circulated in society. The analysis in this second dimension pays attention to speech acts, coherence and intertextuality, all of which situate talk and text into context (Eriksson & Kovalainen 2008, 236).

As Eriksson & Kovalainen (2008, 236) continue, context is very important in CDA and the context should be analysed carefully. Context reveals two contextual features that are distinguished by Fairclough, as follows. The first is 'manifest intertextuality', which means discourse representation. There is a focus on how quotations are selected and contextualised in discourse. The second feature of context is 'constitutive intertextuality' or 'interdiscursivity'. This means how heterogeneous elements in the different texts are interrelated (Eriksson & Kovalainen 2008, 236). The context of this study is a transforming university organisation in the case of the merger of two university organisations and also the university reform in Finland. The context (organisation) forms the meso-level of the discourse.

As Eriksson & Kovalainen note (2008, 236) 'discourse-as-social-practice' is the third dimension in CDA. This refers (Fairclough) to the ideological effects and hegemonic processes in which discourse is a feature. As Fairclough (1992, 92) states, hegemony is leadership and domination across the economic, political, cultural and ideological domains of society. Ideology according to Fairclough (1992, 92) is

a conception of the world that is implicitly indicated in art, law, economic activity and in the utterances of individual and collective life. In common sense, ideologies become naturalized or automatized. Consequently, power and dominance are present and are objects for CDA (Eriksson & Kovalainen 2008, 236). In this study, the discourse-as-social-practice is influenced by globalisation, internationalisation, marketization and the ideology of managerialism.

The content of the speeches (texts) forms the basis for the macro-level analysis of discourse, taking account of the societal and political features and dominations. While writing the doctoral thesis as a novice business researcher, it is a relief to read in Eriksson & Kovalainen (2008, 236-237) that the concept of hegemony suggests that CDA is not an 'easy' or straightforward method to apply for a novice researcher.

4.2.3 Describing management and organisational change through critical discourse analysis

In this study I examine management and organisational change drawing on critical discourse analysis (CDA). There are two central principles, according to Fairclough (2005, 930-931), to incorporate critical discourse analysis to study management and organisational change. First, there is the principle that while change in discourse is a part of management and organisational change, management and organisational change is not simply a change in discourse. The changes in other (social) elements of the organisation are matters for investigation, as well. I discuss the university reform in Finland as an essential element in the transformation of the case university organisation later on in this chapter.

Secondly, there is a principle that while an ongoing change in a social process and in social interaction can contribute to management and organisational change, the relationship between a change in social interaction and a change in organisational structure is complex and subject to conditions of possibility which need to be explored. Therefore, it entails a clear and consistent distinction between social process (including texts), social practices and social structures (Fairclough 2005, 931). The social practices and social structures concerning university management and organisational change are analysed and discussed in Chapters 5 and 6.

In order to consider management and organisational change and structures from a discourse analytical perspective, the following assumptions have been made. Organisational structures are hegemonic structures. These structures are based on and reproduce particular power relations between groups of social agents. These groups are able to manage the contradictions of organisations in ways which allow then to continue with their main business and to maintain balance ('fix') (Fairclough 2005, 931).

Organisational structures may come into crisis as a result of a combination of both external and internal changes and pressures. At such points, the current management procedure is no longer viable. In a situation of crisis, groups of social agents (management) develop their own strategies for achieving a new balance

('fix'). Through a process of hegemonic struggle, a new hegemonic balance ('fix') may emerge. I discuss the strategy of the case organisation and reasons for the merger in Chapter 6.

Strategies have a partly discoursal character, including particular discourses which represent what has happened and is happening in particular ways, and construct imaginaries for what could happen. Discourses may be 're-contextualised' from other organisations. The rector's discourse in this study circulates between a university organisation versus a business organisation. A change in the social process, including in speeches (texts), may have transformative effects on management and organisational structures.

A change in the social process may become incorporated within successful strategies. The implementation of a successful strategy is a matter of the operationalization of new representations and imaginaries (new discourses) in new ways of acting and being and leading to new material arrangements.

Strategies (Fairclough 2005, 932) are seen in critical discourse analysis as mediating the relationship between the change which is inherent in social interaction and texts, and the change in organisational structures. Strategies constitute imaginaries for changes in the networks of social practices in organisations and changes in organisational culture. When strategies are successful, such imaginaries may be realized in actual changes. As Minzberg (1994, 24) states, there is an intended strategy and a realized strategy and this poses the question: must realised strategies always be intended?

In connection with the assumptions presented previously, there are four central features (Fairclough 2005, 932) in applying CDA in management and organisational change analysis. These four broad sets of research issues are emergence, hegemony, re-contextualisation, and operationalisation, which I illustrate in the context of this study in Figure 13 in Chapter 5.

Emergence refers to the processes of new discourses emerging. Emergence also relates to the constitution of new discourses as a new articulation of elements from existing (old) discourses (Eriksson and Kovalainen 2008, 237). As Fairclough (2005, 932) notes, emergence refers to the principle that nothing comes out of nothing. New discourses emerge through 'reweaving' the relations between existing discourses.

Hegemony refers to the processes of particular emergent discourses becoming hegemonic. Hegemony, as Eriksson & Kovalainen (2008, 237) states, refers to the articulation of discourses. These discourses are often organised around a dominant discourse. Hegemony assists in maintaining the status quo in organisations, and often resists change very effectively (Eriksson & Kovalainen 2008, 237).

Ethos as a concept in critical discourse analysis (Fairclough 1992, 143) refers to how the total comportment of a participant, i.e. the manner in which one behaves or conducts oneself, express the sort of person she or he is, and signals her social identity and subjectivity. I apply the concept of ethos in this study to describe the antecedent of organisational trustworthiness with aspect to benevolence and I discuss this in Chapter 6.

Re-contextualisation refers to the dissemination of emergently hegemonic discourses across structural boundaries (i.e. between organisations) and scalar boundaries (i.e. from local to a national and international scale). Re-contextualisation (Fairclough 2005, 933) identifies the principles according to which 'external' discourses and practices are internalised within particular organisations – particular organisations constituted in particular ways have their own distinctive ways of internalising 'external' discourses.

Operationalisation means the operationalisation of emergently hegemonic discourses. Emergently hegemonic discourses enact new ways of (inter)acting, being or forming identities. Such discourses materialise as objects and properties of the physical world, for example, in an organisational context as a merger.

As Fairclough (2005, 934) states, successful strategies may be operationalised and effect real change. Operationalisation includes an enactment which means that discourses may be dialectically transformed into new ways of acting and interacting (Fairclough 2005, 934). In this case study, it may be interpreted that the discourse of the economic autonomy of the university organisation led to its enactment through the university reform in Finland and the changing of the Universities Act. As an operationalisation of such discourse, the themes relating to organisational competitiveness in the discourse might be seen as leading to the merger of the two university organisations. I discuss and describe the management change in the transforming university organisation through critical discourse analysis in Chapter 5 and illustrate the change process in Figure 13.

4.3 THE CASE ORGANISATION

4.3.1 University organisations under study

The role of education in national development has been considered significant in Finnish society throughout the history of the nation. The development of higher education has been closely coordinated with the planning of the other sectors in society. The historical development of the relationship between the government and the universities is essential in understanding the Finnish higher education system (Hölttä 1995, 21).

The establishment of the universities in Eastern Finland during the 1960s was due to the regional and higher-educational policy in Finland at the time (Nevala 2009, 42; Vuorio 2006, 53). The public discussion of the success of such a regional policy accelerated in Finland at the end of 1990s and at the beginning of the 2000s.

The first universities in Finland were established in Turku in the 19th century and later on in Helsinki. At the beginning of the 20th century, altogether eight universities had been established in Finland in the capital area of Helsinki and in Turku and Jyväskylä. However, concerning academic business education, there was rivalry between Finnish-speaking and Swedish-speaking education

and tension between practical and academic approaches to business education. Therefore, there were two academic business schools established in Helsinki. At first, the Finnish-speaking business school was established in 1911 and later on the Swedish-speaking business school in 1915 (Nevala 2009, 17).

The northern part of Finland got its first university in 1959 when the University of Oulu was founded. There were political discussions surrounding the needs to establish a university in the Eastern part of Finland, as well. The University of Helsinki was considered to have an expanding number of students. On the other hand, there was room in Finland for new universities to contribute in the field of science (Nevala 2009, 29).

At first there was an idea of founding one university in Eastern Finland. But a disagreement arose about where the new university should be located: in Lappeenranta, in Joensuu or in Kuopio. As a political compromise the universities were located in Joensuu (in 1966) and Kuopio (in 1966) and in Lappeenranta (in 1966). The universities had different profiles so that Lappeenranta specialised in technology, Joensuu in the humanities and education and Kuopio in health sciences (Nevala 2009, 39-40, 60; Vuorio 2006, 50-54; Clark 2004, 52).

4.3.2 Process of merger

The emergence of cooperation between the universities in Eastern Finland took place in business education (Nevala 2009, 434). The cooperation in business education between the Universities of Joensuu, Kuopio and Lappeenranta continued from 2001 until the merger of the University of Joensuu and the University of Kuopio in 2010. Lappeenranta University of Technology remained apart from the merger.

As Nevala (2009, 447) notes, the development of academic business education was emphasised in the Ministry of Education at the beginning of the 21st century in Finland. The universities aimed to enhance technical and economic innovations and radiate innovations to their regions. Business education started in the University of Joensuu and the University of Kuopio in 2001 as part of the network of universities in Eastern Finland. Business degrees however were awarded by Lappeenranta University of Technology.

The cooperation between the three universities in Eastern Finland was put to the test. The ultimate willingness and ability to cooperate and to coordinate the functions between the three universities will unfold in business education (Nevala 2009, 448).

Within a few years, as Nevala (2009, 448) continues, it was clear that the network-based governmental structure between the three universities was not functioning. The University of Joensuu and the University of Kuopio wanted to award business degrees independently themselves. Naturally, Lappeenranta University of Technology was against the procedure (Nevala 2009, 448).

The key moment for the merger between the University of Joensuu and the University of Kuopio was the announcements in the evaluation report by professors Pertti Kettunen and Ilkka Virtanen in 2006. The business education of the

region was evaluated by the Ministry of Education. In the evaluation, it was suggested that the business education should be enlarged. Furthermore, the right to issue business degrees should be given to the University of Joensuu and the University of Kuopio (Nevala 2009, 448).

Simultaneously, there was another process occurring concerning the structural development of the Finnish university institutes. Justice Niilo Jääskinen and Professor Jorma Rantanen were invited by the Ministry of Education to review the financial and administrative status of the universities and make proposals for a reform. The final report was published in January 2007 and contained a proposal for the amendment of the Universities Act in Finland. A timeline of the university reform process integrated with the merger process is illustrated in Figure 4.

PROCESS OF MERGER : Negotiations

3/2006 Report by prof. Kettunen & Virtanen; Evaluation of the networks of Business Educations

12/2005 Jääskinen & Rantanen: Review and Reform of Finnish university structure

1/2007 Final report of the Structural development of Finnish University Institute by Jääskinen & Rantanen

5/2007 Decision of the formation of the federal university in eastern Finland

- Project plan
- Principles of the new organization
- Project groups

11/2006 Joint project (with structural development project) chaired by prof. Reijo Vihko: to create federal university in Eastern Finland: Joensuu and Kuopio

Idea of interorganizational cooperation discussed unofficially

10/2007 Decision of the name University of Easten Finland and merger

12/2007 Strategy seminar

2005   2006   2007

Sources: Nevala 2009; Annuall Reports of University of Joensuu;Interview with the Rector

Figure 4: Process of the merger: negotiations

An integral part of the structural development of the Finnish university institute was to create a federal university in Eastern Finland. This process was led by Professor Reijo Vihko. These three processes: a reform of the Finnish university structure (Jääskinen & Rantanen), evaluation of the networks of business education (Kettunen & Virtanen) and a project to create federal university in Eastern Finland (Reijo Vihko), were linked.

The proposal of the alliance between the two universities and the establishment of business education within this alliance was delivered to the Ministry

of Education in 2007. The Ministry of Education granted the permission to issue business degrees in common at the University of Joensuu and the University of Kuopio as part of the development of the University of Eastern Finland in 2007 (Nevala 2009, 448).

As Nevala (2009, 483, 487) stresses, it should not be interpreted that the formation of the University of Eastern Finland originated solely from the process concerning business education. The transformation of the higher education policy in the 21st century led to organisational changes within the two university organisations in Eastern Finland.

The merger process was implemented bottom-up in over 20 working groups during 2006-2010 period. The emergent merger process progressed from strategic alliance to a federation and ended up into a merger. At the start in August 2006, the idea of cooperation was built around strategic alliance, where two autonomous universities would collaborate in particular fields, such as business education. (Tirronen et al. 2016, 182-183)

To achieve international level research in Finnish universities is the leading idea of the current higher education policy, as Nevala (2009, 487-488) continues. To achieve this goal, larger and competitive university organisations are needed. The University of Joensuu and the University of Kuopio are feasible and complementary partners. From the Joensuu University perspective, to be among the best 200 universities in the world will not be possible without research in medicine within the university organisation. On the other hand, from the perspective of the University of Kuopio, the strong fields in the University of Joensuu, such as natural sciences and forestry, would complement research in the 'new' organisation after the merger. Additionally, the University of Joensuu is efficient in its educational mission.

The formation of the University of Eastern Finland is also seen by Nevala (2009, 488) as a matter of a new generation within two university organisations. The key position holders of the former organisations are to be replaced by younger ones. The younger generation in the university is used to cooperating and operating at a national and international level. The preconceptions are fading away and new options and possibilities are recognised in the 'new' organisation after the merger (Nevala 2009, 488).

The larger organisation and multi-campus university, was established with its 15,000 students and 2,800 employees and started operating in 1.1.2010. There are two main campuses in Joensuu and Kuopio, and a third campus in Savonlinna. The faculties and educational fields of the University of Joensuu and the University of Kuopio before the merger are described in Figure 6 below (Vihko's report 16.2.2007, 7). The process of commitment between the two universities is described in the timeline in Figure 5, as well.

PROCESS OF MERGER : Commitment

4/2008
Decision of the Faculty Structure
of the new organization

UNIVERSITY OF JOENSUU in 2007
Campuses in Joensuu and in
Savonlinna
8 Educational fields,
8 Faculties:
Education and pedagogy
Humanities
Natural sciences
Social sciences
Business sciences
Forestry
Theology
Psychology
Research institute in Mekrijärvi.
8 300 students whom which 1 100
in Savonlinna campus.
1350 staff members whom which
160 in Savonlinna campus.

UNIVERSITY OF KUOPIO in 2007
7 Educational fields,
5 Faculties:
Social sciences
Business sciences
Natural sciences
Medical sciences
Health and Pharmacy sciences

Research institute A.I. Virtanen

6200 students
1500 staff members

8/2009

New Board of the
University of Eastern
Finland Begin

2008   2009

Source: Vihko's report
16.2.2007, 7; Speeches data

Figure 5: Process of the merger: commitment

4.3.3 University reform process in Finland

The establishment of the 'new' university was part of a major university reform in Finland in 2010. The formation of the 'new' university organisation in Eastern Finland through the merger is actually a closure of the historical development process (speech 2009). In public discussion in the 1960s, there were plans to form one university in Eastern Finland. Instead, there were three universities established in the region: in Joensuu, Kuopio and Lappeenranta in 1966.

The University of Eastern Finland started operations on 1.1.2010 at three campuses in Joensuu, Kuopio and Savonlinna. The execution of the merger process has been accomplished. There are four faculties and 13 educational fields, as illustrated in Figure 6.

The philosophical faculty operates in the Joensuu and Savonlinna campuses, the Faculty of Science and Forestry operates in the Joensuu and Kuopio campuses, the Faculty of Social Sciences and Business Studies operates in the Joensuu and Kuopio campuses and the Faculty of Health Sciences operates solely in Kuopio campus.

Board	University Collegiate Body

Rector, Academic Rector	Administration centre/1.1.2014 University Services

Philosophical Faculty	Faculty of Science and Forestry	Faculty of Health Sciences	Faculty of Social Sciences and Business Studies
Humanities Educational Sciences and Pedagogy Psychology Theology	Natural Sciences: biology, physics, mathematics, computing Forestry	Health Sciences Medicine Pharmacy Dentistry	Business Sciences Law Social Sciences:

Figure 6: Merger process: execution: The organisation of the University of Eastern Finland in 2010 (Applied from source: Nevala 2009, 485).

The formation of the 'new' university organisation through the merger was one of the major projects in order to reform university institutions in Finland. Parliament passed the Universities Bill in 16 June 2009. The new law replaced the Universities Act of 1997 (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/ Yliopistolaitoksen_uudistaminen/?lang=en 6.6.2015 at 15:30)

According to Kaukonen & Välimaa (2010, 15), the aim of the Finnish higher educational policy (law), since the end of the 1980s, has been to increase the autonomy of universities, which means that the university's own decision making is stressed and state-bureaucracy is diminished. This has occurred by strengthening the role of the rector, dean and head of departments in the university organisations. The economic autonomy of the university has been increased. On the other hand, the Finnish universities have been directed to serve the needs of Finnish society and the economy by creating innovations through research and education.

The transformation of Finnish university law and its implications to management in the university during the research period in 1998-2014 is illustrated in Table 1 below. The first actual university law was the Universities Act of 1997 (645/1997), which became effective on 1.8.1998. Before that, each university was directed by a law that was issued on a university basis in separate pieces of legislation (Jääskinen & Rantanen 2007, 50), for example, the law concerning the development of higher education (1058/1986) (Juppo 2011, 12). The essential changes (Kekäle 2001, 21) concerning the university Act 1986 are presented in Table 1 below.

From 1995 to 2013, the Finnish higher education sector was subject to multiple reforms, as Kallio et al. (2015, 8) note. The university funding scheme was renewed many times, due to which the basis of funding and the applied indicators were changed. The emphasis on the output of universities was highlighted in 2005 in the performance management model. There is autonomy in university management when comes to the means for securing the desired output. The focus is on the outcomes of the university and *ex post* monitoring (Kallio et al. 2015, 8).

As Jääskinen & Rantanen (2007, 50) continue, in Finland the Government passes decrees concerning the degrees that each university may issue. The degree programmes that each university may provide are decreed by the Ministry of Education, on the basis of a proposal by the university.

The main change in university law 1997 was that universities were able to create and terminate the disciplines and units by themselves, while earlier these decisions had been made by the Ministry of Education. Furthermore, from now on the university rector could appoint the professors in the university, instead of the Finnish president. Furthermore, it was possible to appoint the members to a university board outside the university organisation. The universities were also made to evaluate their education, research and impact on society (and to be evaluated by outsiders) (Kaukonen& Välimaa 2010, 16).

Globalisation was an essential concept in the public debate at the end of the 1990s. The globalisation discourse reflected the higher education policy especially in the form of Brunila's report which was published in 2004. Due to the report, public discussion surrounding the effectiveness of the universities accelerated. There was criticism that there were too many universities in Finland and that they were also too small. Finland was lacking in universities with international level research capabilities. The profilization and specialization of universities was called for earlier in a report by professor Rantanen in 2004 (Kaukonen & Välimaa 2010, 16).

Thus, there was a large amount of discourse and numerous surveys concerning the universities at the beginning of the new millennium in Finland. As noted in Jääskinen & Rantanen (2007, 21), the Science and Technology Policy Council of Finland has recommended that the financial powers of universities should be increased by legislative measures in order to better equip them for world-class knowledge and networking.

Table 1: University laws and the implications for university management in Finland during 1998–2014

Law / Year	Change in laws concerning university	Essential change
128/1983 1058/1986	Multiple laws and decrees concerning universities	A shift from regulation to objectives. Universities were expected to compete for their resources. The introduction of assessment of the results and costs of research, as well as the consideration of performance in allocating new funds (cost-effectiveness). Universities prepare performance reports regularly for the Ministry of Education
645/1997 715/2004	The first law entirely concerning the university institute Become effective 1.8.1998	The emphasis on globalisation. An international level in education and research must be accomplished Rectorship period for 5 years (before 4 years) Third mission: to impact society, in addition to the missions of education and research (715/2004)
2005	x	Emphasis on the autonomy of university management. Performance management; with control mechanisms based on outcomes and *ex post* monitoring. Bologna Process: three cycles: bachelor's/master's/doctoral
558/2009	The university reform in Finland Became effective on 1.1.2010	Autonomy of the universities and further management emphasis universities Act (558/2009) "the mission of the universities is to promote free research and academic education, to provide higher education based on research, and to educate students to serve their country and humanity. In carrying out their mission, the universities must promote lifelong learning, interact with the surrounding society and promote the impact of research findings on society. Universities must arrange their activities, so as to assure a high international standard in research, education and teaching in conformity with ethical principles and good scientific practices."

As an operational and administrative entity, the university is a unique, diverse and heterogeneous organisation, composed of academic work in different disciplines and university governance. The university is also increasingly influenced by the pursuit of economic and societal gain. The internal and external interests in the university system and the aims of the increasingly heterogeneous set of actors involved make the university an entity of complexity and tension, as regards to its operation and procedures (Jääskinen & Rantanen 2007, 21).

On December 2005, the Ministry of Education invited Mr. Justice Niilo Jääskinen and Professor Jorma Rantanen to review the financial and administrative status of universities and make proposals for a reform. The survey by Jääskinen & Rantanen in 2007 is an essential document from the university reform in Finland, as Nevala stresses (2009, 479). There were procedures needed at universities for steering and management systems. A reform of university governance is needed by strengthening the universities' internal management.

As noted by Jääskinen& Rantanen (2007, 21), the university organisation has to be transformed from the state legal entity to a new type of a legal entity under public law. Posts and tenures at the universities will fall under legislation on labour contracts instead of civil service regulations.

While Jääskinen & Rantanen were still working on their survey, the Ministry of Education decided on the main principles of the structural development of higher education in March 2006 (Nevala 2009, 479). There were separate processes yet tightly linked with university reform concerning the structural renewals in university institutes (Nevala 2009,480).

In 2006, the Ministry of Education started a study into cooperation between universities. Professor Reijo Vihko suggested the alliance between the University of Joensuu and the University of Kuopio in his report in 2007. There were two other university alliances in Finland; in Turku and in Helsinki (Kaukonen & Välimaa 2010, 16).

4.3.4 A process view of trust development – combining two models

As discussed in chapter 1, in this study I apply a process view for studying organisational transformation. Next, I will discuss how I apply a process view in this case study. In this study, time plays an essential role when management change and trust development are investigated as a process. The temporal progression of management change and organisational transformation is empirically captured in the rector's discourse during 1998-2014. In this longitudinal study, the trust development process is explored and interpreted in management discourses, which I will present in Chapter 5. I will discuss the inter-organisational trust development process between two university organisations in the context of a merger in Chapter 6.

Because I explore management change in this study, applying a qualitative research method, I adopt a process perspective to reveal the dynamic activity during the course of time. The process view enables capturing the temporal flow of evolving organisational phenomenon (Savolainen & Ikonen 2016), such

as management change and trust development. When utilising a process view, knowledge may become actionable as Langley et al. (2013, 4) notes – there may be answers found to questions, such as what to do, and how to make it work.

When analysing the speeches of the rector, the role of tensions and contradictions between various levels (i.e. organisational, local, national, global) that contribute to change may be revealed (Savolainen & Ikonen 2016). The dynamic activity underlying the maintenance and reproduction of stability (Langley 2013, 1) may be identified, as well.

Trust is also viewed as an inter-organisational level concept between the two university organisations in this study. The trust development process is investigated by combining two models. First, studying the trust development process draws on a calculus-knowledge-identification based the construction of trust by Lewicki & Bunker (1996). Secondly, the developmental processes of the cooperative inter-organisational relationship of the two university organisations is investigated by applying the framework of negotiation-commitment-execution presented by Ring & Van de Ven (1994).

There is a common idea shared by both models. There is an assumption in both models that over the course of time, as both parties gain more information via interaction about each other's behaviour, trust between the parties' increases. More knowledge is gained over time via interaction, and this engenders predictability, and thus trust.

The three stage-model of Lewicki & Bunker (1996) does not represent a genuine process perspective because the nature of trust development described in the model appears to be more progressive in nature (Savolainen & Ikonen 2016). Therefore, the process perspective is emphasised by applying the framework presented by Ring & Van de Ven (1994). Thus, the dynamic and ongoing nature of trust development, whether increasing or decreasing, is captured. The trust development process between two partners entails ongoing interaction with negotiation and renegotiation supplemented by assessments, based on efficiency and equity.

By creating organisational arrangements (Zucker 1986) which reduce the risk of disappointments in the organisation, the management can influence the trust development process (Bachmann & Inkpen 2011, 285). Under conditions of trust, the role of the manager is mainly to coordinate team efforts in the organisation. The manager's role is also to transmit information from one organisational level to the next (Zucker 1986, 91). As Bachmann & Inkpen (2011, 285) state, the human resource policy, organisational norms and practices of behaviour, management, and communication are examples of organisational arrangements which can be tailored in a way to build trust in an organisation. The organisational arrangement like organisational reputation reflects organisational trust, also outside the organisation.

The trustworthiness of the transforming university organisation and the rector are discussed on the basis of the model by Mayer et al. (1995), applying concepts ability, benevolence and integrity (ABI), as I discuss in Chapter 3. The model

represents a cognitive approach to trust, because as Schoorman et al. (2007, 348) note, when evaluating a trustee's ability, integrity and benevolence, one is thinking. Perceptions of others and perceptions of risks must be processed in order to come to decisions about taking risks (Schoorman et al. 2007, 348). As Schoorman et al. (2007, 348-349) state, the studies have pointed to the fact that trust also involves emotion. In this study, cognitive-based trust is emphasised more than affective-based trust.

Trust is defined by Mayer, Davis and Schoorman (1995, 712) as involving vulnerability and the inability to control the other party. Pertaining to trust in relationships, Mayer et al.'s model contains the factors of trust formation in a relational context between the trustor and trustee, but the model works in a unidirectional manner as Savolainen & Ikonen (2016) note. Therefore, it does not involve the dynamic and reciprocal nature of interaction in relationships and, hence, process orientation.

According to Lewicki & Bunker (1996, 118) in professional relationships and at an organisational level, trust initiates a cognitive-basis evaluation of the other party's ability and competence rather than on the basis of emotion and feelings. Several trust types, as Ikonen (2013, 41) notes, exist according to the psychological and transformational approach, and the nature of trust, as such, transforms over time when positive experiences, increased information, and predictability promote trust to the higher level. In line with Lewicki & Bunker (1996, 118), trust is viewed in this study as a dynamic phenomenon that has a different nature in the early, developing and mature stages of relationship.

The three stage model of Lewicki and Bunker (1996) proposes that the better the other party is known, the deeper the relationship between the parties will develop over the course of time (Savolainen & Ikonen 2016). The relationship between the parties investigated in this longitudinal case study include two university organisations which merge into two main campuses, and a third campus.

The trust development model of Lewicki & Bunker (1996, 119-122) assumes that two parties entering into a new relationship do not have a history between them. Thus the parties hold a degree of uncertainty about each other. There is fear of being vulnerable and, therefore, open communication does not necessarily unfold. At the early stages of the relationship, trust is identified as being calculus-based trust. The both parties calculate the future benefits to gain by being trusting. At the early state of the relationship, trust is only partial and fragile.

The second state is knowledge-based trust. Knowledge-based trust develops over time as the parties interact with each other. Due to interaction, there is information acquired between the parties. On the basis of the information, it is possible to predict the behaviour of the other party and evaluate the trustworthiness of the actions of the other party. In knowledge-based trust, repetitive interaction and communication are essential processes. Without regular interaction and communication, the party may lose contact with the other because the ability to predict the actions of the other party and 'a world-in-common' fades away (Lewicki & Bunker 1996, 119-122).

At the mature stage of a relationship, trust exists because the parties genuinely understand each other and respect the other party's perspective and take it into account. Both parties are effectively operating for the best of the other. Trust is based on identification and trust is formed over the course of time. Identification-based trust develops as calculus- and knowledge-based trust strengthen (Lewicki & Bunker 1996, 119-122).

Identification-based trust is deepened through special identification-based trust building activities (Shapiro et al., 1992), according to Lewicki & Bunker (1996, 123). It is important to formulate a collective identity for the trusting parties. The creation of joint goals enhances identification-based trust. Committing to commonly shared values and orienting towards mutual objectives enhance the development of identification-based trust.

Savolainen & Ikonen (2016) depict that Lewicki and Bunker's (1996) model of three stages and bases of trust development to be progressive in nature, with a tendency for linear development, e.g. the better the other party is known, the deeper the relationship between the parties will become over the course of time. The stage-based models may not represent "genuine" process models from the point of view of organisation and management research, as Savolainen & Ikonen (2016) note. This is because stage-based models do not involve the main elements used in process studies, such as the time, dynamics (interaction), context (environment), tensions and contradictions that drive development (Langley et al., 2013, 1) and the emergence of a process (Savolainen & Ikonen 2016).

Thus, the nature of the trust development process is complex, not merely progressive in nature, as Savolainen & Ikonen (2016) suggest. The trust development process emerges in diverging patterns. According to Savolainen & Ikonen (2016), trust is emergent, as it originates in the cognition of individuals and is amplified by their interactions manifesting at multiple levels; dyadic-, group- and organisational- level phenomenon (Savolainen & Ikonen 2016).

As Savolainen & Ikonen (2016) state, trust can be seen as an interactive, ongoing process over time. In trust development, interactions between people occur via compatible words and actions (Lewicki & Bunker 1996, Mishra 1996) and via the active role played by actors undergoing social change, gradual growth, contradictions, failure or the restoration of trust (Langley et al. 2013, Möllering 2006) (Savolainen & Ikonen 2016).

As the two university organisations merge, active trust is needed. Trust development is facilitated by active trust as a continuous trust building process in a changing context. The role of the rector as manager is essential. I emphasise the process view in this study by integrating the model of Ring & Van de Ven (1994) with the three-stage-model of Lewicki & Bunker (1996). In inter-organisational relationships (Ring & Van de Ven 1992), trust will emerge as a consequence of repeated interactions over time and when the parties involved maintain norms of equity. (Möllering 2006, 78-79) In Ring & Van de Ven's (1994) framework, trust is only one of many elements in the development of the cooperative inter-organisational relationship processes (Möllering 2006, 91).

The framework of the development of cooperative inter-organisational relationships (Ring & Van de Ven 1994, 96-97) consists of the three repetitive sequences of negotiations, commitments and execution stages, each of which is assessed in terms of efficiency and equity. As Ring & Van de Ven (1994, 97) stress, although these stages overlap through recurrent sequences, and for analytical purposes, it is useful to separate them. The duration of each stage varies according to the uncertainty of the issues involved, the reliance on trust among the parties for a cooperative inter-organisational relationship, and the role relationships between the parties.

In the negotiation stage, the parties develop joint (not individual) expectations about their motivations, and perceived uncertainties of cooperation they are exploring to undertake jointly. The focus is on the formal bargaining processes. There is also the choice making behaviour of the parties as they select, or avoid alternative parties and as they persuade each other over possible terms and procedures of a potential relationship. Underlying these formal bargaining proceedings are social-psychological processes of enactment or sense making, that lead otherwise independent parties to enter into negotiations with one another. There are negotiations and renegotiations through formal bargaining and informal sense making processes are often needed in order to provide participants with opportunities to assess uncertainty associated with the partnership, as well as the nature of each other's role, the other parties' trustworthiness, and their rights and duties in the transaction being considered (Ring & Van de Ven 1994, 97-98).

In the commitment stage, the parties reach an agreement. The terms and governance structure of the relationship are established with a formal relational contract or informal (psychological) contract between the parties. There are a series of interactions needed to enable the parties to reach lawful mutual consent. Many of these commitments may be agreed informally with a handshake depending on the degree of risk and the willingness of the parties to rely on trust (Ring & Van de Ven 1994, 98).

Eventually, the commitments and rules of action come into effect in the execution stage. Role-based behaviour by the parties reduces uncertainty within the organisation when they execute commitments, and this makes the interactions between the parties predictable. Through a series of role interactions, the parties become more familiar with one another as people. Thus, the parties may increasingly rely on interpersonal, not only inter-role, relationships (Ring & Van de Ven 1994, 98).

The framework of Ring & Van de Ven (1994, 98) includes the process perspective. The framework takes account that in the course of time, misunderstandings, conflicts and changing expectations among the parties are inevitable. Renegotiations will be needed in order to rethink the terms of the relationship. As a consequence, the ongoing relationship is preserved. The process framework of the development of cooperative inter-organisational relationships is illustrated in Figure 7.

All three stages of the process of the development of cooperative inter-organisational relationships are supplemented by continuous assessments of the balance of efficiency and equity in the relationship. Efficiency, as a criterion, originates from transaction cost theory. Efficiency is used to define the most expeditious and

least costly governance structure for undertaking a transaction, given production cost constraints. Equity is an equally important criterion for assessing a cooperative inter-organisational relationship. Equity is defined as "fair dealing" which does not require that inputs or outcomes are always divided equally between the parties (Ring & Van de Ven 1994, 93).
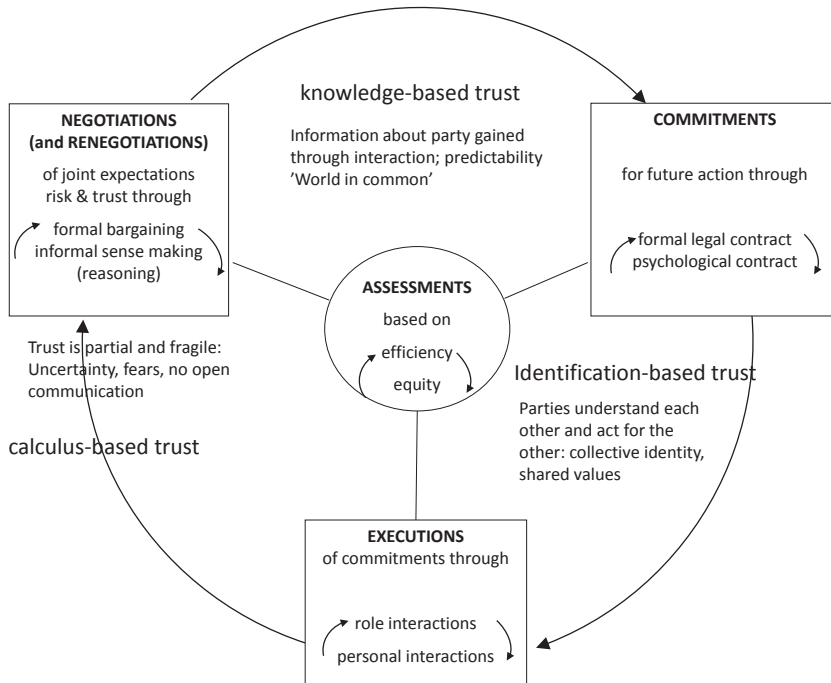
Figure 7: Process framework of trust development in the context of the merger of two universities (source: adapted from Ring & Van de Ven 1994, 97 & Lewicki & Bunker 1996, Langley et al. 2013, Savolainen & Ikonen 2016).

According to Ring & Van de Ven (1994, 99) a set of heuristics guide organisational parties through the initial and recurrent sequences of formal stages of a cooperative inter-organisational relationship. These heuristics are based on assumptions that if the parties can negotiate minimal, congruent expectations for a cooperative inter-organisational relationship, they will make commitments to an initial course of action.

The process perspective (Langley et al. 2013; Savolainen & Ikonen 2016) is constructed, applying a possibility to renegotiate in the model. As Ring & Van de Ven (1994, 99) note if these commitments are not implemented in an efficient and equitable manner, the parties will initiate corrective measures by either renegotiation or reducing their commitments to the cooperative inter-organisational relationship.

In social-psychological literature on motivation (Turner 1987), identity and inclusion are concluded to be two fundamental forces that motivate human thought and action. These forces are the basis for an explanation of the development of inter-organisational relationships being grounded in the motivational and cognitive predispositions of individuals to engage in sensemaking and bonding processes (Ring & Van de Ven 1994, 99).

The trust development process, if successful, 'bridges' risks and leads to co-operation. As a consequence, the competitiveness of the transforming university organisation accelerates.

4.3.5 A process view of change – organisational becoming

As this study applies a process view for studying the transformation, the concept of organisational becoming used by Tsoukas & Chia (2002, 567) highlights the pervasiveness of change in organisations, and describes the change process. Organisational change is treated as a common condition of organisational life. Organisations are in a state of perpetual becoming because the situated action within them is inherently creative. Therefore, as Beech & Johnson (2005, 33) note, it is important to examine the *processes in between the existence of the two states of being* rather than to show that one structure replaces another, or that one culture replaces another. Change is a dynamic process (Langley et al. 2013). It appears as a kind of dichotomy 'emerging – not yet seen' (Savolainen & Ikonen, 2016).

Organisational change may be seen as an ongoing improvisation like jazz enacted by organisational actors trying to make sense of and act coherently in the world. Change is argued by Tsoukas & Chia (2002, 567) to review the actors' webs of beliefs and habits to accommodate new experiences obtained through interactions.

Process studies address questions about how and why things emerge, develop, grow or terminate over time. The empirical regularities and contingency models of explanation by excluding time from theoretical accounts are replaced by recognizing the centrality of time. Process perspectives make knowledge actionable and help parties understand – what to do, at what point of time, in what context (Langley et al. 2013, 1-4).

At the most general level "change is a phenomenon of time." In reference to organisations, change involves a difference "in how an organisation functions, who its members and leaders are, what form it takes, or how it allocates its resources". From the perspective of organisational development, change is "a set of behavioural science-based theories, strategies, and techniques aimed at the planned change of the organisational work setting for the purpose of enhancing individual development and improving organisational performance," (Weick & Quinn 1999, 362-363).

Process models are needed in order to study organisational change in continuous and rapidly changing environments. Organisations will have to be built for change. When environments were more often stable and simple as Hatch (1997, 531) states, organisations could be less adaptable and more hierarchical. Static

models exploring organisational change were adequate under these conditions. There is a shift from an episodic perspective, from state A to state B, to an understanding of strategic change as being incremental (Beech & Johnson 2005, 32).

Organisations may be seen as temporary instantiations of ongoing processes, continually in a state of becoming. Changing is not something that happens to things. Changing is the way in which reality is brought into being in every instant. For example, the treatment of risk not as an objective attribute, but constituted over time through social practices: objects become risky or safe in different ways as a result of the practices to which they are subjected (Langley 2013, 5). Managers "need to clear their vision to see what is going on and at the same time, help fashion a coherent and desirable pattern out of what is going on," (Tsoukas & Chia 2002, 579).

Management in organisations has traditionally emphasised the centrality of time and timing. Time has been understood as an objective (i.e. existing independently of human action, clock-based) or subjective (i.e. socially constructed through human action, event-based) phenomenon (Orlikowski & Yates 2002, 684). Time in organisational studies could also be understood as Orlikowksi & Yates (2002, 684) propose through a process which bridges the gap between objective and subjective understandings of time. The active role of people is recognized in shaping the temporal features of their lives, while also being aware of the way in which people's actions are shaped by conditions outside their immediate control.

From a process ontological perspective, an organisation is seen as a dynamic bundle of qualities. Some qualities stay more than others, but there is no substance that remains unchanged. How the past is drawn upon and made relevant to the present does not happen randomly. It crucially depends on the social practices in which actors are embedded (Langley et al. 2013, 5). For example, the social practice of academic freedom is embedded in university professionals. Even if the management changes in a university, the aspect of academic freedom probably remains more than other aspects because it defines the nature of the academic profession.

4.4 DATA AND ANALYSIS

4.4.1 University opening ceremony speeches

I use the rector's annual university opening ceremony speeches during 1998-2014 as primary data in this study. The speeches are seen with the contingent effects of texts 'bringing organisationally related objects into being', in line with Fairclough (2005, 919). The primary empirical data also consists of an interview with the rector. The interview was made on November 2014, as the rector was ending his rectorship at the end of 2014. The interview gives a retrospective view of the research period. The empirical data consists of a period in which one actor carried out the role of rector in a transforming university organisation.

The rector gives a speech at a university semester opening ceremony once a year in September. The primary research material of this study includes 100 pages

of texts (speeches) and an interview with the rector. The secondary data consists of written documents, history and reports concerning the case organisation and university reform in Finland.

The annual opening ceremony at the university is held at the beginning of September, according to specific rituals. Students and staff of the university are invited to the ceremony, as well as stakeholders including representatives of the Ministry of Education, the church, representatives of the local council, business and "friends of the university community", as is stated in the speeches.

The rector enters the ceremony with a parade of doctors, while other participants in the ceremony stand up, showing honour and respect. The dress code is black for the rector and doctors in the parade at the university opening ceremony, which is seen as a social event in this study.

There are numerous traditions in the university organisation. The annual semester opening ceremony where the rector gives a speech is a tradition. Tradition stands for continuity and similarity in an otherwise transforming university organisation. Tradition sustains trust in the organisation.

Tradition is routine as Giddens (1990, 105) states. The meanings of routine activities lie in the connection of traditions with rituals. A ritual often has a compulsive aspect to it, but it is also deeply comforting, for it infuses a given set of practices with a sacramental quality. A tradition contributes in basic fashion to ontological security, in so far as it sustains trust in the continuity of the past, present, and future, and connects such trust to routinized social practices. (Giddens 1990, 105)

The semester opening ceremony in the university organisation is a routine which gathers together university staff, students and stakeholders. The semester opening ceremony consists of rituals, such as the cortege of doctors and the rector giving the speech in a university uniform. In addition to the speech of the rector, there are other speeches given at the opening ceremony. For example, the representative of the student association and a representative of the staff give speeches.

The university choir sings and music is played. In Joensuu, the local region song is sung together at the end of the ceremony. This tradition was changing at the beginning of 2015, as a new rector is in charge. The national hymn of Finland is sung instead – perhaps this signals the 'new' organisation is more of a national level operator than a local one. This interpretation is beyond the (time) scope of this study. The opening ceremony ends with a common coffee moment among the university community and stakeholders.

The opening ceremony speeches are quoted in newspapers and academic papers in Finland. The speech of the rector is published on the university Web pages. In his interview, the rector mentioned that he is not sure whether the university community notices the speeches nowadays. The rector thinks that earlier speeches were noticed and reflected upon in more detail in the university when the speeches were published in the university organisational magazine.

The rector states in an interview that he is not receiving direct feedback on the speeches in the organisation. The rector notes in the interview that the main

target audience for the speech are the professors and stakeholders, and also other staff, and students. There are few students who attend the opening ceremony.

The rector's speeches which are gathered over the years, as the discourse of the manager, are useful research material and data for textual analysis. Although being ceremonial, the rector's speeches provide an insight into the university and the management and organisational transformation.

I formulated the university management discourses by analysing the speeches. I implemented critical discourse analyses to analyse and interpret the management discourses in this research. The change in management discourse during the 17 years of research period in this longitudinal study is emphasised. I found signals for proactive behaviour for university reform and organisational transformation in the discourse. I will present these findings in Chapter 5 and Chapter 6.

4.4.2 Speeches as research data in this study

The rector prepares and writes the speeches of the opening ceremony himself. The rector considers that he is not a rhetoric specialist in giving a speech (interview). The professional background of the rector is visible in the data, especially at the beginning of the research period. The rector is writing the speeches as a professor. This is interpreted on the basis of the multiple references applied in the speeches. This property of texts is called intertextuality (Fairclough 1992, 84) in critical discourse analysis. Thus, there is intertextuality found in the speeches as I indicate in appendix 3. There are plenty of books, articles and statistical references used in speeches like a professor would do, especially during the early period of rectorship during 1998-2002.

The discursive practice (processes of text production, distribution and consumption) function as a mediator between the text and social practice. In the process of text production, the intertextuality stresses the history perspective of texts consisting of prior texts. In the process of text distribution, the intertextuality shows the networks which texts move along. In the process of text consumption, an intertextual perspective gives information about the ingredients of other texts that constitute or influence the texts (speeches). This assists the interpretation process of the data.

When preparing the speeches, the rector has assumed that the audience would be more interested in facts than invigorating rhetoric with fewer issues. To give fact-based speeches at the university opening ceremony was a conscious choice of the rector (interview). However, in the transformed organisation, the rector would consider changing the style if continuing as the rector in the 'new' organisation. The transformation that did occur in the speeches during the rectorship is that international members of the university community are taken account which the rector also notes in an interview. Hence, a part of the speech is given in English from 2009 onwards.

The textual data of the speeches consists of 111 pages altogether (see Appendix 1). The number of words in each speech varies between 1477 and 2116 words. The

most words were used in 2011, when the rector discussed the university reform and its manifestation a 'new' university organisation after the merger. 2011 is the second opening ceremony speech of the University of Eastern Finland. On the other hand, the least words are used in 2010, which is given on the first opening ceremony of the 'new' university organisation after the merger. In 2010, the rector discusses aspects of moving forward together as one.

4.4.3 Interview data

The primary data of this study consists of the rector's annual university semester opening ceremony speeches and an interview with the rector. I had an interview with the rector on November 2014. The rector was ending his tenure as the rector at the end 2014. The new rector who started at the beginning of 2015 for five years had been nominated. There was an ongoing transition process between the new rector and the present rector at the time of the interview. The rector had already delegated many of his memberships in different collegial groups to the new rector. The interview was more or less a closure of the rectorship period for the actor in this study.

I made an appointment for the interview with the rector's secretary. The rector had a busy schedule and the original appointment had to be transferred. After some discussion with the secretary the interview took place in the afternoon. There were no other appointments for the rector after the interview. Therefore, the face-to-face interview had no strict time limits and took place in a relaxed atmosphere.

The actor of this case study was elected as the rector of the University of Joensuu in 1998. The rector was at that time a representative of the younger generation of candidates for the rectorship position. The rector-to-be had a blossoming academic career as a researcher and a professor of human geography, when he was elected as the rector in 1998 (Nevala 2009, 431).

The rector is the leader of the university organisation. At the end of 1990s, the task of the rector had become more of a CEO or managing director like position at the university. This meant that the main task of the rector was now defining the main direction (strategic management) of the university and coordinating the co-operation with stakeholders, such as the Ministry of Education (Nevala 2009, 432).

There was also a full-time vice-rector nominated at the University of Joensuu in 1998. This position was the first of its kind in a university in Finland. There was a division of duties between the rector and vice-rector. The rector had delegated tasks relating to personnel management and legislation to the vice-rector (Nevala 2009, 433).

The interview with the rector consisted of a set of questions on three themes (Appendix 4). The first theme concerned the change of the university organisation and university management. The transition process from professorship to rectorship at the beginning of the rectorship in 1998 was also discussed. The rectorship periods were identified and discussed. The transformation of the university organisation and the merger from the rector's perspective was the focus of this part of the discussion.

The second theme in the interview focused on the annual opening ceremony speeches. The production process for the speeches, as well as the feedback and reciprocity of the speeches were identified. The planning and preparation process of the speeches, i.e. text production, was discussed. The perceptions of the impact of the speeches and the feedback on the speeches received by the rector were the focal point of this phase of the interview. To whom the rector targeted the speeches was also discussed. Thus, the text distribution and consumption from the rector's perspective was introduced.

The third theme in the interview concerned issues the rector faced as the university manager. The rector's perspective on the organisational transformation process and the merger was discussed. The issues concerning how well the rector knew the partner organisation and its members before the merger were also discussed. The power of the rector was the focus of this phase of the interview. The authentic experience of the rector acting as the manager of the university organisation was also discussed during the interview. The change in power relations and the role of the university board in the context of university reform was also examined.

The interview questions were related to the research questions of this study. The interview questions focused on the rector's own viewpoints, perceptions, conceptions, and emotions during the organisational transformation and management change. The aim of the interview was to clarify the speeches in more detail and examine how the speeches were prepared, to whom they were directed from the point of view of the rector, and what the impacts of the speeches were from the perspective of the rector. The interview produced a retrospective perspective from the point of view of the rector on the research period of this study during 1998-2014.

The interview was accomplished in a structured and standardised way and it was not performed as an informal everyday conversation. Pre-planned questions were used as initiators of the conversation. The interview was tape recorded. A transcription of the tape-recorded interview was written right after the interview. I made the transcription by listening to the interview several times. All the words were included in the transcription. Pauses, laughs and deep breaths were also included in the transcription because these features during provide additional information for research purposes. The difficulties and successful aspects of the organisational transformation process unfolded from the rector's perspective and could be interpreted from the data.

4.5 ANALYSIS OF THE RECTOR'S SPEECHES AND INTERVIEW DATA

My analysis of the text material proceeded in stages. A three-dimensional framework of critical discourse analysis is implemented in this case study to explore the management change and trust development process in a transforming university

organisation. First, I analysed the texts as discourse. The choices of words, wording and metaphors were indicated. In this micro-level analysis, the speeches were explored as texts.

I began a data analysis of this study by reading the speeches. The primary data consists of 17 speeches including approximately 30,000 words altogether, which means 111 pages (Appendix 1). The speeches are public and they were gathered from the university website. The research material also includes an interview with the rector (Appendix 4).

I read the speeches through several times in order to gain an insight into the content of the speeches during 1998-2014 as a whole. In the second round, I read the speeches through, whilst keeping the perspective of university management in mind. I identified four logics of university management in the speeches on a theoretical basis through content analysis. I summarised the main themes involved and categorised (and re-categorised) them into the four previously identified logics of university management. An important part of this analysis was also a reflection on what was kept silent and left unspoken (Appendix 5).

There are references used in the rector's speeches (see Appendix 3). The references in the speeches reflect the atmosphere and changes in society and environment outside the university organisation. There are demands in society for the universities to perform in an entrepreneurial manner and produce new knowledge to support economic growth. As the university organisation does not operate in quarters, like business firms, producing knowledge (research) and employees (educate), there is vivid discourse to be found concerning the nature of science and civilization for example in 2003. This also could be noticed by references in speech 2003.

The state bureaucracy as well as managerialism are noted as references in the speeches. The wild discussion and criticism towards universities in the press are also noted in references in the speeches in 2004 and 2005. The discussion and criticism facilitates and leads to the university reform in Finland, which started in 2007.

To gain some insight into the content of the speeches as texts, there are certain words and the frequency of those words has been captured (see Appendices 2 and 5). To look for signs of managerialism in the speeches, the frequency of the word 'strategy' is indicated in the texts. The word 'strategy' is mentioned in every speech, except for 2009 when the speech circulates more around the history of the University of Joensuu. The word 'strategy' exists most frequently in the 2014 speech. The second strategy concerning the years 2015-2020 of the 'new' organisation is formulated and the novel era of the united organisation begins.

In order to identify the hegemonial discourse concerning the strategy of the university, the frequency of the word 'multidisciplinarity' is matched with the word 'strategy'. The word 'multidisciplinarity' exists most frequently in 2013 when the formation of the second strategy of the 'new' organisation for 2015-2020 is at its' most hectic stage.

The discourse of multidisciplinarity is essential in the context of the 'new' organisation. The strategy of multidicplinarity can direct the future way of the

'new' university organisation and guarantee the continuum of the history of its' previous universities. The multidisciplarity enables the 'new' university organisation to perform as a research (neo-Humboldtian) university.

The discourse of the diverse demands which face the university organisation become the focus of the speech. There is a dual pull between two means of achieving the goal of how to operate as an international research university, on the one hand, by profiling the university, and on the other hand, through a multidisciplinary approach. This is discussed in Chapter 6 in more detail.

The re-contextualisation of the significance of regional policy and the region in the transforming university organisation is identified by exploring the frequency of the words 'regional policy' and 'region-related' words (Appendix 5). At the end of the 1990s and at the beginning of the new millennium, the regional policy was discussed frequently in the rector's speeches. The discourse on regional policy in the context of the university organisation remains silent since 2006, when the university reform begins. Additionally, the themes in the discourse concerning the region and area around the university largely discussed the stakeholders' support of the university, its partnership with the neighbouring area, as well as entrepreneurship and research areas. These issues are discussed in Chapter 5 in more detail.

On the basis of my analysis concerning the way the university management was discussed and talked about in the speeches, I identified four discourses. The themes concerning each management discourse were iterated and categorised into corresponding discourse. Thus, there was text (sentences and expressions from the speeches) within the discourse of bureaucracy, professionalism, democracy and managerialism.

These management discourses provide four distinctive discursive frameworks within which the university management is constructed and specific themes are brought up, as I present in Chapter 5. In the speeches, these discourses are often overlapping and interconnected. The managerialism discourse is the dominant discourse and traces of managerialism discourses are the most frequent occurrences in the research material. The managerialism discourse is reflected in the Chapter 6 when I discuss the trust development process in a transforming university organisation.

Additionally, I gathered the expressions concerning the rector as a manager from the speeches and the interview. These expressions, as well as expressions concerning trust, were found in the texts within all the management discourses and the interview as a whole. The expressions and themes concerning trust were iterated on a theoretical basis. As Vaara et al. (2006, 796) notes, critical discourse analysis is abductive by its nature. Therefore, the constant movement back and forth between theory and empirical data directed my analysis process.

The discourse-as-discursive-practice is the second dimension of critical discourse analysis. I identified the text production in the interview with the rector. According to the interview (19.11.2014), the rector states that he prepared the speeches as a researcher. The rector gathered the ideas and thoughts during the

year and formulated a schema for the speech. There are some references used in the speeches (see in Appendix 3). The speeches are not edited for publishing purposes, even though the speeches are public.

The speeches were given at the university opening ceremony which I interpreted as text distribution in line with critical discourse analysis. The speech of the rector may be cited in the local and national newspapers and publications. The texts were consumed in the university community and by the stakeholders who attended the ceremony.

On the basis of the interview, the rector stated that he directed his message to the professors and stakeholders, and, of course, to the staff of the university when preparing and giving the speech. On the basis of the interview with the rector, the text consumption was evaluated by the rector. A minority of students attend the opening ceremony. The students are represented in the ceremony by the Student Union where the head of the Student Union gives a speech. The teaching staff (teachers, non-professors) receive more focus in the opening ceremony. There is a nomination of the teacher of the year at the opening ceremony and the nominated teacher also gives a speech at the ceremony.

On the basis of the interview with the rector, the text consumption by the press was not very eager. The press quoted the speeches occasionally. There was more public interest in the university opening ceremony speeches when there was a new rector giving his or her first speech. The academic trade union magazines were more interested in quoting the speeches.

The rector is seen as a manager in this study. On the basis of the interview, the rector sees that the opening ceremony speeches are consumed by those who are interested in higher education policy. In the rector's opinion, the content of the speeches needs to include current issues in higher education policy. The other option, as the rector notes in the interview, would be to focus on more invigorating issues with less information, concerning, for example, higher education policy.

I interpret this feature as indicating that the rector was more focused on management rather than leadership in this study. However, the rector saw that it may have be necessary to shift the focus after the merger. From after the interview (19.11.2014), the focus of the content of the speech at the opening ceremony might lean towards a more supportive kind of talk. The leadership and human resource management aspects were seen to be gaining a more important role in the contemporary university organisation.

The consumption of the texts takes into account the international members of the university community. Internationalisation is emphasised in the transforming university organisation. Therefore, part of the speech has been given in English since 2009, because there are plenty of international members in the contemporary university community.

The discourse acts as a mediator between text and social practice by producing, distributing and consuming text. (Fairclough 1992, 73) The management change is reflected and analysed within the management discourses. The three dimensional conception of discourse combines a micro-level analysis (text) and

macro-level analysis (social practice) of the discourse. The analysis of the texts is the 'description' and the analysis of discourse practice and the analysis of the social practice of which the discourse is a part is 'interpretation'. Micro- and macro analysis are interrelated. (Fairclough 1992, 73, 86) The discursive practice in this three-dimensional framework mediates the relationship between the dimensions of social practice and the texts, as illustrated in Table 2.

Table 2: Concepts of CDA and the process view applied in the case study

CDA	Case Study
Micro-level	Annual university opening ceremony speeches of the rector during 1998-2014 and an interview with the rector in November 2014
Social event	Opening ceremony
Meso-level	University organisation
Discourse (as mediator)	Management discourses:
x	Managerialism discourse
x	Bureaucracy discourse
	Democracy discourse
x	Professionalism discourse
Macro-level	Environment: stakeholders at local, national and global level
Social context	Merger of two University Organisations
Process view	The management change and trust development process in a transforming university organisation

5 Analysis of management change discourses in a transforming university organisation

In this chapter, I discuss the management change in the case university. The themes reflecting management change are investigated within the university management discourses. The university management discourses presented in this study are: bureaucracy, professionalism, democracy and managerialism and were discussed theoretically earlier in Chapter 2.

There are interpretations made within each management discourse to identify events, elements and factors for trust to develop.

5.1 IDENTIFYING MANAGEMENT DISCOURSES

I applied an etic approach in my qualitative content analysis (Eriksson & Kovalainen 2008, 129) because I used theory-driven management categories based on the ideas presented by Dearlove (1998, 71-72) concerning university management. The logics of university management are applied to Finnish universities by Räsänen (2005, 22-23). I identified and named discourses of bureaucracy, professionalism, democracy and managerialism in the rector's speeches during 1998-2014. I generated these discourses from the rector's speeches by searching through the vocabulary, expressions and style through which concepts related to management in the university were communicated.

Bureaucracy is seen as state-bureaucracy, which is directing the university in a national level. As a public sector organisation, the university has formal and legal procedures concerning, for example budgeting, recruiting, tenures and vacancies. Bureaucracy was captured in the speeches by finding expressions of regulation, rules and law, budgeting, tenures and vacancies. Talk about the Ministry of Education and regional policy and politics (see Appendix 5) were included in the bureaucracy discourse. On the other hand, being a large organisation, bureaucracy is required in a university. Management is accomplished by administration guided by its rules and procedures.

The professionalism discourse is the traditional logic of management in the university and contains talk about research, teaching and science. Universities historically have a strong emphasis on the autonomy of professors. The professor runs the department and the discipline. Therefore, the management is based on the expertise of the professor. Professionalism was examined in the speeches by finding expressions used to describe the professor as an employee (researcher and teacher). Also discussion about research and research co-operation were categorised within the professionalism discourse.

Democracy came to the university management to balance the domination of professors in the university. Decisions are made on the basis of three parties: professors, other staff and students. This sort of collegial decision making brings democracy to the university management. The decisions are made on a democratic basis in faculty meetings. The democracy discourse in this study was captured in the speeches (texts) from expressions mainly concerning students and studies indicating issues concerning teaching, the university environment, the employment of students, communication technology used in studies, and so on.

Managerialism is the newest, and gradually, the most dominating logic of management in the university. Managerialism places emphasis on management and leadership. The discourse of managerialism was interpreted in the speeches by searching for speech and expressions about management, competitiveness, strategy, marketing, customers, and stakeholders. Managerialism was also examined by finding the expressions in speeches that included business concepts, such as customers, marketing, strategy, competition, or resources. The emphasis on the management aspect is essential in managerialism and such expressions are captured in the data. The university management discourses identified in the data are summarised in Figure 8.

I analysed the university management discourses, utilising critical discourse analysis. I report the produced description of the management discourses by using indirectly quoted speech. The quotation summarises or paraphrases the significant feature of the management discourse in question. The original wordings are not necessarily quoted, yet some particular reporting words are framed. I use some illustrative quotes as well.

Professionalism discourse: research and teaching, professors, teachers, research co-operation	**Bureaucracy discourse:** ministry, government, regional policy, politics, state, European Union, law, regulation, rules and law, budgeting, tenures and vacancies
Democracy discourse: students, studies teaching, university environment, employment of students, communication technology	**Managerialism discourse:** management, competitiveness, strategy, marketing, customers, stakeholders

Figure 8: Summarising the identified management discourses

5.2 THE BUREAUCRACY DISCOURSE

The universities are governed by state-bureaucracy in Finland. They are funded under the governmental budget and directed by law. According to Vartola (2004, 27), in a bureaucratic organisation the decisions concerning the organisation are made at a different place from the actual operations. This is partly the situation in the university organisation which was operating as a static accounting office under a state-bureaucracy. Therefore, there were fewer opportunities for the university organisation to make decisions concerning its resources, objectives, staff and procedures. University education in Finland does not vary depending on the university and is, therefore, of equal quality.

Flexible transformation in the bureaucratic organisation reflecting the changes in the environment is not possible because the decisions are not entirely made within the organisation. The nature of the university organisation as a state-bureaucracy is however now changing since the university reform in Finland in 2010.

5.2.1 Main external and internal change forces – globalisation and autonomy demand

Universities and higher education systems in general, in all countries, faced contradictory external and internal pressures for change in the 1990s. Governments have since integrated universities in national development programmes with political and financial ties. Universities are currently expected to support social and economic developments (Hölttä 1995, 15).

At the end of 1990s and at the beginning of the new millennium, the rector discussed the novel challenges which university institutes were facing. As a new rector at the University of Joensuu, the speech in 1998 described the university as being at a crossroads of demands from three directions in society. There were local, national and global level interests and pressures on the university organisation.

Due to globalisation, the university as a static accounting office under the national state-bureaucracy was not able to totally manage and control its environment any longer. The universities were meeting the new borderless competition as the rector discusses in his speech in 1999. This meant that international virtual teaching was available for everyone, students could choose universities from all over the world, and teachers were able to move for a better salary or improved working conditions.

In his speech in 2002 titled 'National university institute at a crossroads' the rector discusses the internationalisation of the university institutes. The rector states in 2002 that in spite the nature of the scientific community being universal, the Finnish university institutes are strongly national. The discourse of internationalisation and globalisation within universities emerged only recently in higher education policy. In his speech in 2002, the rector clarifies the concepts of internationalisation and globalisation, which are 'used as synonyms in everyday language.'

The cooperation within the European Union is a good example of the inter-nationalisation of the universities. In this case, the decision making is still at the national level. Globalisation on the other hand, according to the rector, refers to worldwide economic integration which means the free circulation of goods, services, people and capital. From that perspective, higher education is also seen as part of a service market which should not be limited by country barriers. Due to globalisation, as the rector states in 2002, the perspective changes from that of international cooperation between universities towards competition between single university actors.

The discourse focussing on the economic autonomy of the universities was initiated at the beginning of the 21st century in 2002. The external change forces were noticed within the university organisation by the year 2002. The impact of the environmental change was taken into account within the university institute and, accordingly, management change was proposed to the Ministry of Education in 2002. The global competitive environment forces Finnish universities towards more dynamic and flexible procedures, which is not possible with the static ac-counting office status within a state-bureaucracy.

There is a need for more flexible financing and human resource management systems in the university organisation. The Council of Finnish University Rectors made a suggestion in May 2002 for increasing the economic autonomy of universi-ties. In 2002 the rector pointed out that he sees the increase in the economic auton-omy of universities more as an attempt to reform the Finnish university institutes than the marketization and privatization of the universities. The themes in the bureaucracy discourse concerning autonomy were already taking place within the university institute before the critical public discourse towards universities by the press and in the business world came to the forefront in 2005 in Finland.

In 2003 rector discussed the need for the budget management (state-bureau-cracy) to contain more competitive elements. The university budget and perfor-mance measurements should not only be quantitatively based; i.e. based on the intake of students and the number of awarded degrees. There should also be stimulating elements in the budgeting. The stimulating and motivating elements of the budget should be focused on research and quality and the international competitiveness of the university (speech 2003).

The need for the planning and renewal of structures is stressed discursively. The rector acts discursively within the university institute and has the power to influence the state-bureaucracy at a national level through his discourse. The rector stressed (speech 2003) that in Finland, we are living in an "unchanged (=stationary) dream of the welfare state". This means that in the name of equal-ity, the new master's level higher education institutes and research institutes are being created all over the country without planning and discussion of the future directions of higher education (speech 2003).

The discourse of bureaucracy that the rector faced in his work is stressed as the rector himself in the discourse (speech 2005). The delay of two years for the university to be able to direct budget resources to small knowledge intensive

business prevented the university from participating in the commercialization of knowledge as a business action. The bureaucracy hindered the university in making small business oriented budget decisions.

On the other hand, the Finnish higher education system is ideal in the way that it is funded by the government and managed by law. This way, it has been able to be create an equal quality national level higher education system. The quality of the degree does not vary according to the university institute in Finland (speech 2005). This guarantees the equal quality of Finnish higher education.

The European Union plays a role in the process of university reform in Finland. There are plans within the European Union (speech 2002) to create a common research and teaching area (in higher education) in Europe. This is the way for Europe to develop as a competitive and knowledge intensive continent (speech 2006). The European Union emphasises the role of basic research in universities, whereas in Finland the emphasis is on innovation and applied research (speech 2003). The European commission advises member countries to renew their universities (speech 2006) in order to improve the competitiveness of the European continent. This is a wake-up call for all national decision makers (speech 2006).

The discourse for the need of larger university units (speech 2004) and the effectiveness of the universities is increasing in intensity. The rector reminds us that the Council of Finnish University Rectors has talked about increasing the economic autonomy of the universities to the Prime Minister's Office but that their arguments have fallen on 'deaf ears'. Until the summer of 2004 the policymakers in society supported the attempt.

Simultaneously, the vulnerability of the university organisation related to the demand for autonomy was highlighted discursively in 2004. The university organisation will meet novel risks in the future. The university might face a decrease in the budget resources in relation to the achievement of its objectives. Economic autonomy also brings risk taking and pressures to improve the management procedures in the university.

The rector refers to the report of Anne Brunila et al., which was published in June 2004 by the Prime Minister's Office. The rector sees the report as a sign of novel thinking (speech 2004). The university is unable to operate as a static accounting office in an international competitive environment.

The rector agrees with the suggestion given in the report: 'to improve the ability of the universities to build internationally competitive education and units'. The rector adds research to the list. Namely, as the rector stresses, "The competitiveness of the universities is based on strong basic research which is free from short-term-benefits," (speech 2004).

In Finland, the role of research in the university budget that is negotiated with the Ministry of Education is not in focus as such (speech 2003). In a state bureaucracy (the Ministry of Education), science is located in the Finnish Academy and education is located in universities (speech 2003). There is some discourse in Finland about dividing universities into research- and educational universities

(speech 2004). The rector interprets this (in speech 2004) as meaning the division of universities into two categories; international level research universities and so called regional universities.

The national level administration of research policy is discussed in 2003. The universities in Finland are seen as educational institutions, whereas the research is located to the Finnish Academy. The science and technological policy in Finland is implemented through a number of organisation, ministries and operators. These are: The Ministry of Commerce, Tekes (The Finnish Funding Agency for Innovation), The Ministry of Education and The Finnish Academy. University staff are included in decision making in the Finnish Academy (speech 2003).

The procedures concerning research are changing due to the university reform. Research is stressed as a core mission of the universities. International level research is expected to be achieved in the universities and the universities are profiled on the basis of their research. Doctoral education is offered by the universities in doctoral programmes. The national level doctoral programmes formerly organised by the Finnish Academy, were transferred to the universities in 2013.

Globalisation and the change in the environment are challenging the university management, as discussed in the rector's speech in 2005 titled 'Revolution or Reform'. The structural renewal of the Finnish universities dominates the discourse. The rector begins his speech in 2005 by describing the public discourse saying, "If the only information channel is the media, the Finnish university institute would appear to be in crisis."

Within this discourse, as the rector states, the rectors of the universities are seen as the maintainers of the old structures. For example, as the rector continues in 2005, "The suggestions of the Council of Finnish University Rectors is to give more autonomy to universities while the need to renew the tenure procedure in universities is not getting publicity, nor are the statements of the Council of Finnish University Rectors media sexy enough."

5.2.2 The university in a national context – re-contextualisation themes in regional policy

Universities are facing a diverse set of demands. On the one hand, universities are expected to produce new short-term knowledge which can be applied in beneficial innovations. Whereas, there is concern within the universities that the nature of science is not understood in society. Scientific knowledge production is a longitudinal process, while there are expectations in the environment for universities to produce short-term innovations to benefit economic and business life.

Due to regional policy in Finland, universities has been established in different parts of the country. The criticism at a national level towards the success of such a regional policy accelerated at the beginning of 2000. The re-contextualisation within the themes of regional policy and the region in the rector's discourse concerning transforming the university organisation are identified by exploring

the frequency of the words 'regional policy' and 'region-related' words in the micro-level text analysis (see Appendix 5).

At the end of 1990s and at the beginning of the new millennium, the regional policy themes are discussed frequently in the rector's speeches. The rector discusses the regional impact of universities in 2001. The measurement of the regional impact of the universities is one feature of the higher education policies emphasising innovation. The regional impact of the universities is measured mainly on two bases (speech 2001). The measures include how many the students are employed at the university region and on the other hand, how many technological enterprises are started in the university area locally.

The rector stresses discursively how the regional impacts of universities are not understood properly. The nature of university education and research outcomes do not only have a local effect, but also nationally and even globally. In the case of the University of Joensuu, the impact of the university radiates to a much larger area than just around university area. For example, teacher education at the University of Joensuu has created a basis for the development of the educational system for the whole of Eastern Finland (speech 2001).

Due to having a local university, there are employees in the area who are able to serve the need for more highly educated professionals. This is one of the reasons (speech 2001) why the regional policy of decentralising the governmental offices in the region has succeeded better than in the 1970s in Finland. Due to the University of Joensuu, there are highly educated professionals in the region (local) and this allows the decentralisation of governmental offices (national) in the Joensuu area. This is manifested by the establishment of the Finnish Government Shared Services Centre for Finance and HR which started its operations in Joensuu in 2010.

Themes in the rector's discourse concerning regional policy in the context of the university are kept silent since 2006. This is the very year when the university reform begins. The Ministry of Education started the program of the structural reorganisation of the Finnish universities in 2006. The aim of the programme was to create high quality, strong, well-profiled, and internationally competitive universities. This was accomplished by cutting the overlapping activities of the universities and gathering the universities into larger units. The university reform was included in the programme of the government of Prime Minister Matti Vanhanen in 2007 (Tirronen 2008, 12; Nevala 2009, 483).

The rector begins his speech in 2006 with the statement that "The structures dominate the contemporary Finnish higher education policy discourse." The structures refer mainly to the management and locational structures (speech 2006) of Finnish higher education. The general assumption behind the higher education structure discourse is 'the achieved benefits of the accumulation' (speech 2006). The direction is for the bigger university entities.

This is identified in this study as representing hegemony in the higher education policy discourse because larger entities are seen as being a self-evident mode of the efficient structures. The structural reorganisation programme presented by

the Ministry of Education in 2006 included an alliance project alliance between the University of Joensuu and the University of Kuopio (Nevala 2009, 435).

The rector points out the lack of public discussion on essential elements from the point of view of the science system. There is no discussion on the structures of science; the role of the universities themselves and the relationship between the universities and research institutes (speech 2006).

The universities renewed their inner organisational structures on the basis of the propositions given by the Ministry of Education. The University of Joensuu strengthened the status of its faculties in 2006. The disciplines were gathered together in larger units. Discipline based departments were replaced by faculties with units of disciplines. Administrative units were established to serve several disciplines (Nevala 2009, 435-436).

The University of Joensuu had a history of proactivity concerning management at the university. The Ministry of Education gave approval to the experiment of 'lump-sum-budgeting' during the late 1980s. 'Lump-sum-budgeting' meant that the segmented national allocation of budget resources (Clark 1998, 107), which came with regulations on all conceivable expenditures, was replaced with a single lump-sum allocation – the university could quite freely spend as it wished.

This novel system during the late 1980s and at the beginning of 1990s promised that funds not spent during the current year could be kept as local savings and carried over to the next year. This procedure eliminated the irrational bureaucratic behaviour that funds not spent within the each fiscal year had to be returned to the government. This requirement made the last month of the fiscal year throughout the government in Finland a free-for-all for spending spree (Clark 1998, 107).

Budget control was decentralised from the state to the universities. The management aspect took a step forward in the University of Joensuu because the lump-sum allocation of the budget was decentralised internally within the university to the departments. The first step from the national level to university level decentralisation was also acceptable to academics. A greater degree of institutional autonomy was achieved (Clark 1998, 107).

The decision making procedures were decentralised and simplified and responsibility was decentralised to the departments in the University of Joensuu. Most decisions were made by the academic leaders, instead of the collegial councils. The rector allocated the funds directly to the departments in lump sums without any earmarking, and department heads were responsible for the funds. The collegial bodies were involved in policy design and planning and in recruitment decisions for academic staff (Hölttä 1995, 237).

But the management aspect step was a more delicate matter to accept for the academics according to Clark (1998, 108) because inner organisational routines were disturbed. For faculties and administrators alike, the increased autonomy tore up the traditional lines of basic-unit income and expenditure. The new budgeting also brought some difficulties as some faculties were unsure at the outset

whether they wanted such full responsibility for deciding on how money would be spent within their domain.

There was also confusion as to who would make the decisions. Was the power to be given to a strengthened department head, a full professor within their separate internal domains, or to an elected council, or an inclusive department body of faculty, students and non-academic staff? There were doubts about 'management'. What was in it for the administration? Do 'they' really mean it? Is there a hidden administrative hand in all this? As the budget experiment continued, the departments gradually learned how to manage their lump-sum budgets (Clark 1998, 108-109).

The discourse concerning the structures of the Finnish higher education dominates the rector's speech in 2006. The alliances are proposed as the new structural entities (speech 2006). However, the rector questions if the universities have been able to 'read' the 'mysterious signs on the 'map' of science and higher educational politics (speech 2006). There is also great mystery surrounding how the Ministry of Education trusts that the universities will develop structures by themselves and voluntarily (speech 2006).

The Ministry of Education directed extra funding for the renewal project of the universities. On the other hand, there were processes within the public sector that were directed towards reducing budget funds. According to Tirkkonen (2008, 11), the structural development of the universities was included as part of the productivity programme of the Finnish government which started in 2003. The aim of the productivity programme was to increase the productivity of the public sector and to squeeze the size of the public sector in Finland.

In the university reform, it was indicated (speech 2007) by the Ministry of Education that only some universities were profiled as high level, international, research intensive universities. Those universities could then expect to receive more resources. But what would happen to rest of the universities that were not indicated directly by the Ministry of Education (speech 2007)? It was obvious that those universities would have to fight harder for the scarce resources of the state budget (speech 2007).

In 2008, in his speech titled, 'the University of Tomorrow', the rector discusses the future directions of the universities in Finland. In his view, Finnish universities are based more on the idea of a knowledge-offering institution than in many other countries.

> "… the current Finnish university model which is characterized by not only public funding, but also a relatively homogenous university concept –that is more clearly based on the idea of a knowledge-offering university than in many other countries."(Speech 2008)

However, the rector also expressed the view that focusing on a knowledge offering concept will be expected only from those universities considered to be "top universities":

"The predominant direction of change is the marketizing and globalisation of the university institution. It seems that higher education is governed by the viewpoints of customership and employment, as well as intensifying supranational competition for good and paying students. Also in research there is a notably growing pressure for commercialization, which is followed by strong specialisation in economically useful fields and bias in applications. As the missions of universities become differentiated, increasingly many of them are directed in a market-led way and only the 'top universities' can afford to be truly universities of knowledge". (Speech 2008)

5.2.3 The university in a local context – a dynamo

The dichotomous theme of acting locally, but performing as an international level research university, emerged in 1998, at the beginning of the rectorship period in the University of Joensuu. The theme appears again after ten years (speech 2008), as the University of Eastern Finland is created.

Stakeholders (the city and local businesses) are noticed in a trust building manner in the rector's discourse already in 2000. The local stakeholders input to the University of Joensuu are mentioned with respect and gratitude. The local stakeholders have gathered a donation for the professorship in marketing as a gift to the 30-year-old University of Joensuu (speech 2000).

The rector expresses gratitude to the donators. There is a misspelling in the rector's speech in 2000, though.

"..., a warm thank you for all our researchers!" (NB! There is a typing error in the rector's written speech: the rector means our supporters. [Translator's Note: tutkija=researcher, tukija=supporter]) (Speech 2000)

The themes concerning the interaction between internationalisation and localisation were included in the strategy discourse of the University of Joensuu over the years 2000-2006 (Speech 2000). The rector also stressed back then (in Speech 2000) that only by being part of the global science community the university could have a strong impact locally. On the other hand, only by stressing the special local features of the university and by mobilising local resources would the university be able to operate successfully as an international university. The City of Joensuu is mentioned in 2000 as a valuable partner with a university in a context of Science Park. In Joensuu Science Park there are multiple innovative start-up firms which are utilizing information and communication technology and aiming to go global markets.

The themes concerning stakeholders and partnerships could be found in the rector's speech in 2001. Besides the university, the local innovation system consists of various knowledge-intensive enterprises, other educational and research institutes, the Science Park and other financial or service oriented organisations. The university for its part stimulates the local business and cultural environment. The intellectual and open-minded atmosphere and the production of educational and research services are the impacts of the university on the local area (speech 2001).

The themes regarding the interaction between university professionals and the stakeholders unfolded in the rector's speech in 2001. There was a great deal to be done in enhancing the cooperation between the university and the local stakeholders. The expertise of the university professionals were not being utilised enough for the good of local development. On the other hand, this expertise was not being offered by the university properly (speech 2001).

The discourse (speech 2001) is used to describe the role of the university in meeting diverse demands, responding to innovation politics (marketization) and meeting the need of science in general. The metaphor is used to signify diversity in the discourse. The university is referred discursively by the metaphor 'dynamo'. The university has attempted to achieve an impact at a local level with expectations which are too high. There are not enough resources given from the state budget to the university in order to fulfil the (unrealistic) expectations and radiate economic success in the region.

> "Universities are believed to be the dynamos of regional development yet we have been granted very few tools to power these dynamos." (Speech 2001)

But at the same time the rector expresses gratitude to the state-bureaucracy. The rector quotes the Minister of Finance Sauli Niinistö in 2001:

> "We in Joensuu have certainly been pleased with the offering of the Future package although (as far as I recall) in Minister of Finance, Sauli Niinistö's, words its scale shrank to something like a future box." (Speech 2001)

The re-contextualisation within the themes concerning the discourse of universities and the regional policy and region/local area is identified in Appendix 5. In 2001, the discourse mostly consists of the themes involving regionalization and regional policy. The discourse concerning cooperation and donation unfold already in 2001. The title of the speech in 2001 reflects the content 'Regional university politics – oversized expectations and scarce resources'. The speech then describes how the potential that the local businesses may offer to R&D-cooperation in the Science Park of the university and the possibilities for donations for common projects are more limited in a regional area than in the 'heartlands' (speech 2001).

The discourse of the regional policy remains silent from 2006. The themes concerning the region and local area unfold after 2006 in different contexts and eventually surface in the 2014 themes concerning the research area of the university. The university is positioned discursively in the rectors' speech from this year to be more like an active player or subject in the local area. The university has an impact on the local area. The university operates as a partner with local stakeholders; businesses and start-up entrepreneurs. The university is not only discussed as an object of national regional policy.

There was a transition, as Kekäle (2001, 21-22) notes, in the ideal of social and regional equity as the core of higher education in Finland. The change in policy

reflected the view that the development of society had become unpredictable, turbulent and difficult to control. Centralised societal planning was abandoned and the responsibility for decision-making and problem-solving concerning the future was delegated to the universities. The new era emphasised innovativeness, flexibility, and the universities' ability to react to external changes.

There were problems from the point of view of the rector with the attitudes of local stakeholders towards the university as a regional organisation (speech 2007). Locally the university is seen as the most stable organisation (speech 2001). The local stakeholders' attitude causes fund raising problems for the university. The university was seen according to the rector in his speech from that year as a taken-for-granted, well-stately-resourced organisation, which brings national budget resources to the local area. Regional financial support from stakeholders was not donated to the university because the university was seen as a very strong operator (speech 2007).

On the other hand, a donation culture is lacking in Finland, therefore private universities that are based on donations and private investments do not exist. However, the rector acknowledged that Finnish universities need to diversify their fund raising further (speech 2005). The rector continues with the theme in 2007 as the university reform is confirmed. Locally, the university had been seen as an organisation which receives budget funding from the state and this has been taken for granted. Local players had assumed that national funding would then be transferred to the local area through the university. Therefore, when the local public sector considered their funding for different purposes in the region, the university was skipped over in their deliberations. There were concerns in the local public sector that scarce resources should not be given to already strong organisations.

The change in the role of the university in the region is stressed by the rector discursively in 2007. The support of the local area was becoming even more important to the university because increases in national support would be limited (speech 2007). Strong research branches are created in the university with the support of the state, but also with the support of local stakeholders (speech 2007). The university needs the local support for basic funding and also for partnerships in various projects. These local partnerships are essential criteria for the additional funding that is heavily competed for by the university (speech 2007).

The discourse surrounding the increasing importance of the stakeholders continues in 2008. Cooperation between the university and the local region is needed. The success of the new organisation, the University of Eastern Finland, is a 'matter of fortune' for Eastern Finland (speech 2008). This is because without a successful research university, the business and public sector in Eastern Finland will inevitably fall behind the development of the other parts of the country (speech 2008). On the other hand, an essential element for the success of the University of Eastern Finland is the support given by the local business and public sector (speech 2008).

The local stakeholders face vulnerability and risks regarding the transforming university organisation. The local stakeholders questioned (speech 2008) the strategic choice of being an international level research university. There was a fear within local stakeholders that the university was stepping away from its responsibilities to the local community. To perform both as an international level research university and as a local operator at the same time was not seen as possible by the stakeholders.

The matter was seen as being in opposition to the rector's perspective. The rector states (2008) that the local argument has to be taken into account within the university. But the rector continues an argument for a strategic choice. The rector stresses that this fear is needling and therefore has to be tackled (speech 2008). To operate successfully in a local area means that the university has to be competitive and successful at an international level.

The rector discusses the strategic choice of being an international research university in 2008. The rector tackles the local stakeholders' criticism discursively in 2008. The rector stresses that within every research branch, there is also an important educational function in the new university organisation. Adult education, as a locally important mission of the new organisation, is also emphasised discursively. On the other hand, all the strong educational fields support the research function in the new organisation. Although there might be some research fields that are based only on the professional development of a single researcher.

The rector highlights the interplay and cooperation in the region locally. The rector stresses in 2008 that the essential condition (basis) for the success of the new organisation is the support given by the local public sector and local business. The rector continues by stating discursively that the crucial element for the success of the university is that the local stakeholders also support the basic funding of the university, not just the projects that bring direct benefits locally. The best way for the university to serve the local area and the key economic branches which are in coherence with the profile of the university will be accomplished only by providing high quality education and research.

Due to the university reform in 2010, the universities have broad financial autonomy and a new governance structure in order to operate in a more proactive manner than Finnish universities were able to as a part of the state bureaucracy. The government will continue to guarantee sufficient core funding tied to the rise in costs for the universities. In addition, the universities are able to apply for competed public funding and use the revenue from their business ventures, donations and bequeathals and the return on their capital for financing their operations. (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/ Yliopistolaitoksen_uudistaminen/index.html?lang=en 3.2.2015 klo 14:50)

In the transforming university organisation, donations will be a very important resource in the future. The rector states in 2011 that in the future, the University of Eastern Finland wants to be a very strong partner within its basic functions with local businesses, people and the public sector (speech 2011). Thus, the university is positioned as a subject and actor in the local area.

5.2.4 Summary of the bureaucracy discourse

Management seems to be changing in the transforming university organisation from being a static accounting office under the state-bureaucracy towards a system with an economic autonomy and management emphasis. The management change within the bureaucracy is due to the external and internal change forces which universities are facing. The universities are facing new borderless competition because international virtual teaching is available for everyone, and students may choose universities from all over the world. Furthermore, university teachers are internationally mobile and are able to move to different locations for a better salary and working conditions. On the other hand, the criticism at a national level towards the university institute has accelerated. Due to the regional policy in Finland, universities have been established in different parts of the country. Such a policy is seen as being ineffective.

The university is positioned in the rector's discourse to operate more as a subject in relation to the national regional policy and as a partner with local stakeholders. The re-contextualisation of the university organisation is interpreted in this study such that the university has an impact on the local area – the university is not only discussed as an object of national regional policy. The university operates as a partner with local stakeholders; business and start-up entrepreneurs.

The universities are seen to need more economic autonomy in order to be able to manage and control their environments and to succeed in global higher educational markets. The debate surrounding the structures of universities has dominated Finnish higher education policy discourse since the beginning of new millennium. The hegemony in higher education discourse is identified in this study as 'the achieved benefits of the accumulation' (speech 2006) because larger entities are seen as being a self-evident mode of the efficient structures.

The major university reform in Finland in 2010 emphasises management in universities. There are needs for a more flexible financing, increased risk taking, as well as improving management procedures, and developing novel human resource management systems in university organisation. The cooperation between the stakeholders and universities is emphasised due to management change.

The history of proactivity in management and gained familiarity in such management procedure in the University of Joensuu may be interpreted to form a basis for trust to develop in the context of management change. This is interpreted to enhance the change readiness in the case university organisation. There is an ability to adapt novel economic autonomy within a status as an independent legal personality as a public corporation in the 'new' university organisation. There is a willingness formed to accept a degree of vulnerability concerning the management change and organisational transformation in the case university organisation.

The temporal illustration of bureaucracy discourse and themes during 1998-2014 is described in Figure 9 below. The elements for the trust development process are identified within the bureaucracy discourse.

	Globalisation	
1998	**Autonomy demand theme** Within the university	History of management agility
2001	**Regional Policy themes**	Donation discourse emerges Cooperation within business education
2002	**Globalisation and interna-tionalisation themes**	The Council of Finnish University Rectors' report: autonomy
2003	The productivity programme	
2004	**Critical public discourse themes** Outside university organisation	Autonomy brings vulnerability Bigger entities Discourse of research in the context of university missing
2005	**Structural themes** **Management themes**	Fundraising from different sources
2006	**Silence in themes of regional policy** Positioning of the university as a subject in local area	Partner with stakeholders Hegemony of bigger entities Inner structural renewals within university Discourse of research still missing
2007	**Themes concerning the profiling of the new university organisation**	Local stakeholders' old attitude towards university Motivation for research in the university
2008	**Themes of acting locally and performing globally**	Vulnerability among local stakeholders Vulnerability towards economic autonomy
2010	**Themes concerning new organisation and new university law**	Donations to university are possible
2011		University strong partner with stakeholders Donation funds are important

Management change and trust
History of proactivity and agility in management in University of Joensuu
Gaining ability in management sustaining trust in management change

Figure 9: The temporal illustration of bureaucracy discourse and themes during 1998–2014

5.3 THE PROFESSIONALISM DISCOURSE

The collegial autonomy of the discipline, professionalism, is one of the oldest logics of management in university. According to professionalism the professionals organise themselves within the discipline. Professionals autonomously make decisions concerning the discipline and management of the department. Professionals elect their representatives to the governing organs in university level management. Typically, the division between disciplines defines the autonomous professionals to a certain educational field. The representative of a discipline (a professional) is visible in official organs and teams in the university organisation. Certain positions are directed to a representative of a certain discipline (Räsänen 2005, 22-23).

There is a hierarchy within a department between colleagues. The professor being senior and expert in the discipline has a leading position in the department and university organisation. According to professionalism as the logic of management there is a strong degree of trust that experts in their fields will be able to make the best decisions concerning the subjects of the discipline and department (Räsänen 2005, 22-23).

5.3.1 Transforming professionalism discourse in the university and trust development process

A novel discourse of managerialism is emerging. The new features of university profession were perceived and described discursively in the first speech of the new rector in 1998. The marketization of the university organisation accelerated at the end of the 20th century. There is a demand in society for the universities to be 'innovation generators' (speech 1998). The rector sees that universities are expected to interact more with business. The procedures at university should be made more business-like. Irony is used in the discourse in the term of 'saying one thing and meaning another' (Fairclough 1992, 123). The rector admits there is acceleration and irony in the following description of the situation from the university professor perspective;

> "Nowadays a professor rushes from one negotiation to another and leads his or her department or research group – preferably their own company located in the Science Park on the side- just like a CEO. In addition, he or she should be an inspiring teacher, or rather, a science consultant who the students come to listen to even if they have to pay for it." (Speech 1998)

Elements of the old discourse are presented. In contrast to the 'business-style-professor' the rector describes the 'old-fashioned-professor' in 1998. During the good old times the Humboldtian (*Bildung*) -style university professor lives next to the university. The professor might invite students into his or her home and even give an exam there.

A compromise follows when the rector states that he does not miss the good old times. At this point, the discourse signals the readiness for change. The ideal

university professor and teacher has changed and lives only in the memory traces of the older professionals at the university. The younger generation recognises these professionals as caricatures in old Finnish movies (speech 1998).

The discourse of science emerges. A few years later, the rector describes (speech 2003) the mysterious side of the university profession, namely science. Science and research are not very well known or visible outside the university organisation, although research is a key function of the university. The rector describes the stereotype of the scientist that is familiar to common people from the newspapers. The stereotype pictures a researcher in a laboratory in coat. The only times people may read about scientists in newspapers are situations of triumph when prizes are awarded because of the good research results. On the other hand, one might read about the sad cases when a scientist has misused the research funds.

The rector continues describing the transformation of the teaching and lecturing professions at the university in 1998. The rector states with irony that the good old assistants and university lecturers are "the targets for the national conservation programmes in the near future." They will be replaced by the efficient graduate-school students and career oriented assistant professors.

Change readiness is indicated again when the rector questions the development of professionalism in universities. The rector is for the transformation. Therefore, the rector suggests the new professional orientation discursively. The rector poses the rhetoric question of whether we should get rid of the professional evolution of the 1970s and 1980s. Due to this evolution, the university deferred to the state and the university teachers identified as state-citizens (speech 1998).

The nature of professionalism at university brings its components to university management to consider. The drive for the modernization of the universities accelerates at the beginning of the 21st century. The structural transformation dominates the discussion about the modernisation of universities, both in Finland and in Europe, but also within the university organisations themselves. On 10.5.2006 the European Commission published its report 'Delivering on the modernization agenda for universities'.

The special feature of social capital at university is discussed when the rector critically discusses the report by the European Commission in 2006. The rector refers to the limits of the agenda concerning professionalism in 2006. The university community has ownership to the university institute. The professionals have immaterial rights to the knowledge they produce through research. Thus professional ownership has accumulated within universities over the decades and centuries. This is known as the social capital of universities. This nature of professionalism creates the unique feature the university organisation, which has to be considered when the management at university is solved. The management of a university cannot be solved simply using public sector management methods, neither by applying business organisation methods (speech 2006).

In order to accomplish structural changes in universities, the university law has been reformed in Finland. The preparation for the reform of the Universities Act started in the ministry in spring 2007. The reform made the universities inde-

pendent legal entities. The universities are separated from the state and they had the choice of becoming either corporations subject to public law or foundations subject to private law. The University of Eastern Finland is a corporation and is subject to public law. University personnel are no longer employed by the state. Civil-service employment relationships transformed into contractual employment relationships.

In transforming the university organisation the ontological security and sense of trust among the employees (professionals) has been violated. The rector states in 2007 that in the role of the rector, it is not possible to avoid questions concerning the structural renewal of the university institutions and the renewal of the university law this autumn (in 2007). Especially the formation of the alliance university in Eastern Finland raises many questions in Joensuu. The rector continues influencing discursively by stating that if we succeed in implementing these changes, he believes that the whole science community in Joensuu will benefit without these renewals becoming a misery for the community (speech 2007).

The rector sees that the logic of the change in the legal status of the universities has often been interpreted wrongly (speech 2007). It does not mean that the university will transform itself into a business organisation. The rector sees it rather as the opposite: the aim of the renewal is to lighten the inner bureaucracy at the university. This entails the professionalising of management – but in a university context (speech 2007).

The rector discusses the differences between university organisations and business organisations in his speech in 2007. The main difference between these organisations is the pace of development and level of risk when new knowledge is created. The university creates and produces new knowledge during a longer period and takes greater risks producing new knowledge than a business organisation. The university organisation openly delivers new knowledge outside the organisation and to new generations (speech 2007).

The management is emphasised in the university reform. This enables the professionals to concentrate on teaching and research. There has been an accumulation of administrative duties and bureaucracy which has interfered with the core mission of the university. With the emphasis of the management, the administrative duties are focused on a smaller group of managers (speech 2007).

Two simultaneous changes that university organisations are facing are interpreted as increasing vulnerability and diminishing the sense of security among the professionals and members of the university community. The rector discursively clarifies (speech 2007) the difference between the business organisation and university organisation, according to new Universities Act. The rector gives information and adds knowledge about the transforming situation. The rector discusses the renewals inspiring the positive future and possibilities for the organisation. This is interpreted as initiating trust development in the new organisation. The ability of the professional to focus on core missions and perform as a researcher in the transforming university organisation builds trust in transforming university organisation among professionals.

The reorganising of the administrative and supportive tasks during the process of the merger has caused a negative atmosphere in the new organisation (2010). The productivity programme of administration and supportive services were aiming to reduce the size of the administration and supportive staff. The academics were not included in the layoff process. The importance of teaching and research was also indicated in the 'new' organisation in this way.

The merger of the two university organisations was accomplished in order to keep the teaching and research as core professions in the university organisation in eastern Finland. The rector phrases the University of Eastern Finland (UEF) strategy in 2012, highlighting the strategic choice of being a science university. Furthermore, the rector emphasises the meaning of this strategic choice. The new organisation after the merger is a university which will have a strong research mission and where teaching and research form a reciprocal entity (speech 2012).

A year later (speech 2013), the rector returns discursively to the notion of a science university. The possibility for research besides teaching is a key feature of the professionalism in a university organisation. Teaching and research have been intertwined in Finnish universities during their history, since the 19th century. But in reality, research and teaching operate in two separate 'micro cosmos' within the university organisation. Teaching and research only randomly encounter each other (speech 2013).

The success of the science university is measured by the number of research publications. The research, and especially publishing in highly recognised international scientific journals is rewarded in contemporary university organisations. The transformation in scientific publishing is described discursively by the rector:

> "If anything, books were considered to be the peak of scientific publishing and the newest ideas from the international stars of the field spread through them. Nowadays the increasing tendency is to publish in English-language scientific journals,…"(Speech 2011)

Professional careers are evaluated by their publications. This causes a tense relationship in the university profession between teaching and research. Excellence in teaching does not provide as straightforward a progression in a professional career as excellence in research does (speech 2011).

The rector stresses (speech 2011) that a good university is known from its top researchers, as well as for its inspiring teachers. The rector notes that the inspiring teacher and top-researcher are very often the same person in a university. The rector stresses the importance of excellent teaching being the key factor of the competitiveness of the new organisation.

There is an (old) tradition in the university profession that a lecturer mainly teaches. In the 'new' university, all the teachers also act as researchers (speech 2011). The teaching supports the research, since while the researcher teaches, the ideas are thought through. Therefore, the reciprocity of teaching and research is productive and teaching assists the research process (speech 2013).

Professors are commonly self-taught when it comes to teaching. Teaching and pedagogy are in that sense undervalued in a research based university. The rector discusses this subject in a trust building manner by positioning himself as an amateur in pedagogy as many professors are. The rector positions himself in the discourse:

> "Well, please allow an amateur a few aspects to start this conversation." (Speech 2013)

Professors are educated for many years to gain research skills and basic knowledge in the philosophy of science (speech 2013). The rector includes the power holders within the university organisation, including himself, to blame for the lack of appreciation of pedagogy in the research university (speech 2013). One reason for the lack of appreciation for pedagogy is mentioned by the rector. One reason is the lack of a common language when it comes to university pedagogy.

The discourse of the student as a future researcher or customer consists of a dichotomy. When acting as a young university teacher, the rector has viewed the students to be future researches and scientists (speech 2013). This is an unrealistic way of seeing the student. On the other hand, viewing the student as a customer who is gaining the knowledge in order be professional in the labour market has its limits as well (speech 2013). The rector suggests the consensus discursively:

> "It may be that I am a hopeless idealist, but I would also like to give the vocationally-oriented programmes more additional elements to support the formation of worldviews, critical thinking and growth as a citizen than is granted nowadays." (Speech 2013)

Even though the university reform challenges the professionals in the university organisation, the rector influences the atmosphere discursively. The encouraging discourse is already found in the first speech of the new rector of the University of Joensuu in 1998. The rector quotes the philosopher Erik Ahlmann (1925), as follows:

> "When the practice of science loses its metaphysical background it ceases being   intellectual work: after that it is merely 'mental work'."(Speech 1998)

The third mission in universities; professionals as consultants?

Universities have a third mission included in the Universities Act (558/2009); "… the universities must promote lifelong learning, interact with the surrounding society and promote the impact of research findings… on society."

The new law replaced the Universities Act of 1997. The third mission as "to impact society in addition to missions of education and research" was added to the university legislation in 2004 (715/2004). The discourse concerning the third mission of the university took place over the years in the rector's speeches.

Interaction with the environment is mentioned for the first time from the resource perspective by the rector in 1999. The state-budget for the universities did not include resources for the duties of the third mission. The universities

needed to use project resources outside the basic budget to cover the costs of the third mission. At the same time, the third mission indirectly consumed the basic resources of the universities while the professionals were also focusing on adult education and projects with stakeholders (Speech 1999).

In 2002, the rector mentions the third mission. The researchers and teachers at the University of Joensuu had been proactive and were specialists in many projects where cultural cooperation was built at a global level, as well as at a local level. This was an important part of the third mission of the universities (speech 2002). The third mission was also mentioned in the speech in 2007, when the rector emphasised that the university needed professionals who could interact between the science community and working life. Thus, the teaching at university was gaining new insights and creating elements for the future needs of the working life (speech 2007).

For its part, the third mission was directing the way towards university reform in Finland. When the rector gave his last his speech in 2009 as the rector at University of Joensuu, he stresses the role of the third mission. Going through the history of the University of Joensuu by referring to the speeches of the previous rectors, the rector states one of the reasons that led to the university reform and the renewal of the university law.

"Particularly this new for-profit logic, which emphasises competing for research financing and the so-called third mission, created a conclusively new economical operating model for universities, and in a way forced universities to gradually reconstruct their administration – first towards the so-called performance-based management ideal and later the juridical person status detaching oneself from the state's immediate budget economy." (Speech 2009)

The new profit-logic forced universities to develop their management. The management and formal authority of administrative leaders increased simultaneously with the implementation of Management by Objectives (Kekäle 2001, 27) directed by state-bureaucracy. Nowadays, along with the new Universities Act (558/2009), there are further extensions to the autonomy of universities and the emphasis of management.

The future perspective of higher education is dominated by the customer and employment point of view. The international competition for the good and paying students is accelerating (speech 2008). The pressure to move towards commercialisation is noticeable in research, as well. In the science branches marketization is emphasised and there are moves to specialize in economically successful applied science (speech 2008).

In 2011 the rector notes that the third mission has driven the universities away from the university's civilization mission (Bildung) and from the basic mission of teaching and research. In the name of the third mission, universities have been driven towards projects and subunits which are only loosely connected to the basic mission of the universities. But the rector stresses at the same time that he does not mean the adult education. Lifelong learning is becoming 'more and more of an important educational challenge to us' (speech 2011).

One year later, in 2012 the discourse circulates around the professionals' perspective, the third mission and professionals performing as consultants. Many teachers and researchers have complained with good reasons to the rector that the third mission is not taken into account as a merit when the effectiveness of the researcher and research groups are evaluated. One of the reasons for the lack of attention to third mission accomplishments is the difficulty in evaluating the mission. It is hard to measure the merits of the third mission because of the multi-dimensionality of the aspects of being a specialist (speech 2012).

On the other hand, the rector questions the merit of the third mission. The rector is not sure if the third mission should be included in the basic budget resources or whether it would better to be finance it from supplementary resources. It is essential that the third mission supports the main missions of universities; teaching and research. The university should be brave enough to refuse to take tasks which are more appropriate to other educational or research institutes or, for example, the consultant business (speech 2012).

5.3.2 Professionalism and cooperation – the need for trust

As the larger university organisation is formed through the merger, the rector discusses the vision and future opportunities for the 'new' organisation in 2007. There are advantages to be gained by synergy, such as the specialisation and formation of larger research groups within the new university organisation. The idea that 'the whole is greater than the sum of its parts' is illustrated in the rector's speech in 2007.

It is a challenge to enhance the cooperation across the campuses in the new university organisation. The new university is multidisciplinary *(Bildung)*, just like the former university organisations were. Cooperation across campuses in research and teaching is needed in order to achieve competitiveness and effectiveness in the new university organisation. Cooperation requires that the new and strange fields are respected and honoured. Novel forms of cooperation needs to be generated (speech 2011).

Trust permeates the cooperation across campuses. The rector builds trust for the new organisation by stressing that there should not be a division on the basis of campuses. In that way, the most significant benefits of the merger will be accomplished. The rector stresses in 2010 that he is delighted about the positive signs of the cooperation in research and teaching across the campuses.

Communication is needed in any new organisation. New colleagues need to be introduced in the new organisation. To work together with a new colleague requires cooperation and communication skills are needed. Trust enables the communication and cooperation in the new organisation. It is common that suspicion and competition exist in a multi-campus-university (speech 2010). The rector positions himself as having already experienced a similar situation in a former university organisation. The University of Joensuu used to operate in two campuses: Joensuu and Savonlinna. As a consequence, the rector states he is familiar with a situation full of suspicion rather than trust (Speech 2010).

The rector builds trust discursively in 2010 by reassures the audience that there are no campus barriers at all among the top management in the new organisation. On the other hand, the rector is very pleased to notice the cooperation in research and education that is already emerging across the campuses (2010). The most valuable benefits of the merger will be reached due to this research cooperation (2010).

On the other hand, a year later in 2011, the rector discursively expresses his bemusement. There are opinions and suggestions within the university organisation for campus based profiles. The distinction between human sciences and natural sciences is stressed.

The discourse in 2011 constructs the social practice of the 'new' organisation. The discourse contains reasoning, as the rector discusses his vision of the campus basis division and multidisciplinarity. If there is a distinction between campuses on the basis of human sciences and natural sciences the 'new' university organisation will lose one of its 'competitive advantages' that it gained through the merger. Competitive advantage will be gained in the new organisation through multidisciplinary teaching and research across campuses (speech 2011).

Practices in the new university organisation are transformed discursively towards cooperation, which entails trust. The process view that I apply in this study enables capturing aspects of the temporal flow of the evolving organisational phenomenon, such as trust development (Savolainen & Ikonen 2016), as I discuss in chapter 4. The rector discursively links the practices of research cooperation from his past to the practices of the present in the transforming university. The rector integrates the self into the discourse in order to stress the formation process of multidisciplinary research groups. The rector uses himself as an example of a researcher who cooperated in his field with another researcher in the faculty of social sciences in his own university. Research co-operation, nationally and internationally was also mentioned (speech 2011). The discourse encourages university staff to cooperate. The rector encourages new and novel forms of cooperation to unfold.

In his last speech as rector in 2014, the rector emphasised the sense of community. Being a multidisciplinary university and operating in two campuses located 135 kilometres apart is challenging. The formation of interdisciplinary research groups and combining the different disciplines are the keys to the success of the 'new' organisation.

But cooperation does not unfold on the command of the rector or dean (speech 2014), as is also discussed in Chapter 2 in relation to trust and social capital. Cooperation is a process which unfolds through interaction. The creation of novel multidisciplinary research fields is the process of communality (speech 2014). There has to be room for new ideas at a thematic and paradigmatic level. The process is organic in the sense that the waning of the old and stable research fields also has to be accepted (speech 2014).

This is the point where the different logics of managements in the new university organisation clash. The logic of professionalism meets the logic of manageri-

alism. There are novel demands and needs in the new organisation in this era of globalisation. The autonomy of the professionals is disturbed by the needs of the transforming university organisation. There is a contradiction indicated between the nature of professionalism and managerialism (Lähdesmäki 2003; Kallio 2014, 86). The autonomy of the professionals needs a to be directed towards the common goals of the university organisation.

The tension between professionalism and managerialism has to be solved. The tension evolves from the fact that there is a need for cooperation between different disciplines within research in order to create bigger research groups which are competitive. But on the other hand, there is the management logic of professionalism within a department which hinders the cooperation between different disciplines. The professor and professionals in the discipline run the department. The administration and management in departments is built upon disciplines. Therefore, cooperation is challenging. The vulnerability of losing possible personal merit gained due to cooperating needs to be overcome.

The rector states in 2014 that the future challenge will be how to unite (managerialism) the multidisciplinary research groups and discipline based departmental management (professionalism) (speech 2014). The rector sees positive signs in the history of proactive and innovative management in other transforming university organisations. 'A leading principle' in the 'new' university is to unite the administration into bigger units without the division of disciplines (speech 2014). There is an evolving practice of crossing disciplinary borders.

5.3.3 Novel human resource management in the university

Due to the new Universities Act (558/2009), universities will take the place of the State as employers. University staff are no longer employed by the State. Civil-service employment relationships became contractual employment relationships and universities negotiate in collective bargaining. The universities are able to pursue independent human resources policies, improve their attractiveness as an employer, and, in this way, strengthen their competitive advantage in order to recruit the best personnel. (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/index.html?lang=en 3.2.2015 klo 14:50)

In his last speech in 2014 the rector points out that traditionally there are two types of vacancies at universities, namely the professors and lecturers with permanent tenure and short-term employed researchers (speech 2014). Due to management changes and the new university law the universities are now able to pursue independent human resources policies. But there is friction between the old practices and new policies. The bureaucratic culture still dominates the employment relationships at university.

According to Kekäle (2001, 174-175), if the process of reform is initiated by a powerful academic leader, the commitment of the professionals to change and the professionals' contribution to the transforming university organisation will be critical factors. This is because the performance of a department is based on the work of the researchers.

The competitiveness of the university is based on the attractiveness of the organisation in order to recruit good researchers. Trust discourse evolves within the discourse concerning novel recruitment practices. When recruiting a new employee there is risk taken from the perspective of the employer. The employer evaluates the ability of the new employee. The rector states that one obstacle to strategic recruitments has been the previous risk aversion behaviour in the university organisation (speech 2014). The strategy of the new university organisation stresses innovative recruiting for 'top' people. The rector defines the concept 'top'. Top in this case means the future top. The rector emphasises risk taking in recruiting the future top employees. We can retrospectively see the averagely good performers. But we cannot necessarily see those who will bring something really new and exciting and those who have inner motivation that is strong enough to make progress in the science world (speech 2014).

In a contemporary research intensive university organisation, the research mission is emphasised. A novel human resource policy should be applied accordingly. The new university law allows universities to choose and apply strategic human resource policies without the interference of the state-bureaucracy. Consequently, the 'new' university organisation after the merger is technically able to apply a human resource policy will contribute to its' strategy.

Novel thinking towards strategic recruitment is needed in universities. The rector stresses in 2014 that there should be the courage to employ a good researcher, even though the budget resources may not be visible for the decades needed. 'A leap of faith' (Möllering 2006) should be taken.

The international student recruitment at a master and doctoral level is in focus. Consequently, there are international employees educated at university for local employment markets. The recruitment of the international researchers and teachers needs to become an everyday procedure in the future (speech 2008). Internationalisation is emphasised in 2009 by directing part of the speech in English towards the university community.

The variety of the knowledge profile is important when recruiting new staff. Eventually, a good department consists of the different kind of specialists. There is sarcasm in the rector's discourse as the rector describes top researchers and the others. In the departments there are not only top researchers and 'those others' who are taking care of the mandatory teaching duties (speech 2014).

The novel thinking in recruitment is emphasized. The post-bureaucratic manner in recruitment enhances the competitiveness of the 'new' university organisation. To hire a new specialist into the university should not to be considered a budget loss. It is often forgotten that the recruitment of good staff pays itself back in good results in teaching and gathering new research project funds. (speech 2014).

How can a university find good employees? The business style head hunting-method is not applicable to a university organisation, but the advertisement in a newspaper is not enough either to attract contemporary recruits (speech 2014). Flexible recruitment methods are a sensitive subject in universities, especially

from the perspective of equality. There are suspicions that flexibility enhances inequality especially between men and women. There are fears that, offers of tenure concern men more than women (speech 2014). The rector provides assurance that when career progress is based on the assessment of transparent merits then equality is guaranteed (speech 2014).

In the interview (19.11.204) with the rector, the transformation process of employee recruitment is discussed as one of the major changes in the university logic. The process towards the novel recruitment logic is at its beginning. The 'new' organisation answers the competition in many aspects; there are achievements in employing good personnel, finding students, and in gaining additional funding. The recruitment of the employees according to the principles of the public sector bureau, is not valid any more. The announcement in a newspaper and formal qualification requirements with little personal variation and stable wage-tables are history.

The strategic recruitments are disturbed by an old bureaucracy culture in a university organisation. When the universities were treated as educational organisations under the state-bureaucracy, most tenured teachers were not doing research. This goes against the idea of the university mission as the rector discussed already in 2003. Researchers are facing short-term-employment in universities (speech 2003). The permanent tenures in the university organisation are traditionally seen as a given. To make progress in a career has been mainly based on randomly open vacancies in teaching or projects (speech 2014). This has caused diverse labour markets within the university and has separated the teaching and research.

The rector is for the tenure-track model (speech 2003). This enables the personal progress in a career at university. Besides the salary, the other important part of a profession as a researcher is the time available to use for the research (speech 2004). As the economic autonomy of the universities increases, the human resource policy will be an even more critical factor for competitiveness at universities (speech 2004).

Bureaucracy emphasised the formal criteria of recruitment. The rector continues (speech 2014) with irony that even if there were opportunities to apply more flexible criteria later on, the best candidates were 'surprisingly' to be found among the own students. As a consequence, the labour mobility between universities, as well as in other sectors or at an international level, is very low in universities. This lack of mobility has been evaluated as one of the most visible problems in the Finnish university system by international evaluators (speech 2014).

In 1999 the rector stated that the nature of recruitment in universities is changing due to globalisation. Nowadays the barriers to moving from one country to another have disappeared. Therefore, it is very natural for university professionals to operate in an international environment. The competition for the good students and university professionals is increasing (speech 1999).

Finnish researchers have not been internationally mobile. University professionals in Finland are quite satisfied with lower salaries, compared to their international colleagues (speech 2000). The professionals at university are highly moti-

vated (Minzberg 1983), as discussed later on in Chapter 6. The Finnish researchers and teachers have traditionally been very loyal to their home location. But the rector indicates changes discursively. The commitment to Finnish universities cannot be taken for granted due to integrating Europe and international level cooperation in the university community (Speech 2000).

The strategic choice of the merger between the two university organisations in eastern Finland was made in order to sustain an international level research university. To be a research university, the organisation must enable the continuum of university professionalism. This is interpreted as motivating researchers and teachers to commit to the changing university organisation. Aarrevaara notes (2010, 46, 74) that to be able to research and gain science merits are important motivational elements for professionals in university organisations. Academic professionals are more committed to a branch of science, or to the profession, than to the university organisation itself.

The attractiveness of the local area is essential for recruiting new students and staff. The local atmosphere should be attractive, which means an open, creative and tolerant milieu (speech 2001). Small towns like Joensuu are not less attractive in the sense of the recruitment of university professionals. The lower living costs make the smaller towns more attractive (speech 2004). The geographical location of the university is not essential because of the universal nature of a university. The rector stated in his speech in 2001 'Our university, 'universitas', is basically part of the universal science community relying on the value of the freedom of the research and teaching at its core.

University professionals do not necessarily follow the familiar norms of the local community. The professionals at university are 'brought in by train' to the local area (speech 2001). The local community may not necessarily recognise the university professionals, although they might be internationally well-known scientists. University professionals are not known widely in public like local sports and entertainment celebrities are (speech 2001).

The short-term employment mainly concerning researchers was due to the old bureaucratic culture. The stiff recruitment tradition and the poor administration of projects and additional funding have led to a short-term employment culture. The rector posits encouraging words in 2014 to professionals on behalf of the transforming university organisation. The University of Eastern Finland has been proactive in developing a four-stage career model and, accordingly, permanent vacancies. As Minzberg (1983, 198) notes, by gaining experience and a reputation, academics move through the ranks of lecturer, assistant, associate, and full professor.

5.3.4 Summary of the professionalism discourse

In the changing university organisation management seems to be shifting from professionalism and an emphasis on autonomy towards managerialism . The nature of professorship seems to be tentatively changing from the Humboldtian (*Bildung*) -style university professor towards a consultant –style professor who

should be able to produce knowledge and also to sell it. The irony concerning the description of the professor's work in the speech in 1998 is turning more into the description of the contemporary professors:

> "Nowadays a professor rushes from one negotiation to another and leads his or her department or research group – preferably their own company located in the Science Park on the side- just like a CEO. In addition, he or she should be an inspiring teacher, or rather, a science consultant who the students come to listen even if they have to pay for it" (Speech 1998)

When it comes to university management, the unique feature of university professionalism has to be noted. The university community has ownership of the university institute. The professionals have immaterial rights to the knowledge they produce through their research. This professional ownership also accumulates in the university over the decades and centuries. This is known as the social capital of the university. The management in a university cannot be solved by simply using public sector management methods, nor by applying business organisation methods (speech 2006).

The strategic choice of the merger of the two university organisations in eastern Finland sustained the international level of research and the continuum of the university professionalism in the region. This is interpreted as motivate researchers and teachers to commit to the transforming university organisation. The new university law allows the 'new' university to apply a human resource policy that contributes to its' strategy and organisational culture.

The competitive advantage gained by the merger would be achieved through multidisciplinary teaching and research across campuses in the 'new' organisation. The formation of interdisciplinary research groups and combining the different disciplines are keys for the success of the 'new' organisation.

However, the logic of professionalism meets the logic of managerialism in the transforming university organisation. The autonomy of the professionals is disturbed by the needs of the 'new' university organisation. The autonomy of professionals refers to the personal strategy for each professional, while the university strategy posits common goals for the entire university organisation. The tension between professionalism and managerialism needs to be solved and a means to pave the way towards cooperation between different disciplines across campuses must be found. The vulnerability of losing the possible personal merits gained due to cooperating needs to be faced.

Trust permeates the cooperation across disciplines and campuses. The rector sees positive signs in the history of proactive and innovative management in transforming university organisations. 'A leading principle' in the 'new' university is to unite the administration into larger units without the division of disciplines. There is an evolving practice of crossing disciplinary borders.

The temporal illustration of the professionalism discourse and the themes arising during 1998-2014 is described in Figure 10 below. I identify the trust development process within professionalism discourse.

	Globalisation / Marketization	
1998	**Contradictory themes**	Professorship in crossroads: Business-style professor vs. Humboldtian style professor
1999-2002	**Themes of competition and novel practices**	Novel competition for employees Novel cooperation within projects with stakeholders
2003–2004	**Emergence of themes concerning science**	Needs to transformation of tenure system Introducing tenure-track HRM as competitiveness factor
	EU Commission Report 10.5.2006	
2006	**Themes in professionalism and university management**	Social capital created by professionals due to university: ownership
2007	**Themes in the transformation of employment relationship and diverse labour markets in university**	University unique: not public org. not business org. Broken routines: Fears and suspicions Novel cooperation resulting 1+1 > 2
2008	**Themes of critical element of resource funding**	International recruitment Vulnerability towards novel economic autonomy
2009	**Third mission theme**	Third mission: a path to renewals
2010	**Themes introducing novel practices**	Announcing the teacher of the year Pedagogy in a university context discourse No campus based divisions
2011	**Themes of tense relationships: between teaching and research, between unfamiliar disciplines**	Transformation: a lecturer also performing as a researcher Honor and respect unfamiliarity Reasoning through competitiveness
2012	**Theme of third mission**	Hard to measure Adult education Not consultant
2013	**Intertwining teaching and research theme**	Teaching and research operating in a separate 'microcosmos' Student: a customer or a future researcher

2014	**Tension between novel HR practices and old bureaucracy culture theme**	Cooperation as an organic process; fields and ideas evolving and terminating Professionalism meets managerialism; novel orientation needed Friction between old practices and new policies; short term research employment and permanent teaching positions Recruitment as investment in the future which will pay back Recruitment of top people: passion to science

Two becoming as one Cooperation -In teaching -in research - across campuses - across disciplines

Figure 10: The temporal illustration of professionalism discourse and themes during 1998–2014

5.4 THE DISCOURSE OF DEMOCRACY

University management is based on democracy. The rector discusses democracy in his last speech as the rector of the former organisation, the University of Joensuu. In the speech in 2009 the rector refers to the speeches of the former rectors. The speech on 17.9.1969 concerned question regarding the possibilities of different groups in the university community participating in the administrative organs. In 2009 the rector notes that the question of democracy has been a permanent subject of higher education policy.

Collegial decision making is still present in the management of the new university organisation (speech 2009). The students and staff have their representatives in the new university organs (speech 2010). Democracy is stressed in the management of the new university. The basic organ of the management in the new university is the university collegiate body. In the university collegiate body there are representatives from all the three groups of the university community; professors, other staff and students (speech 2011)

There are 24 representatives of the internal university community in the collegiate body of the University of Eastern Finland. The main tasks of the collegiate body are to decide the number of representatives on the university board and the length of term of the board. The university collegiate body chooses the external members of the university board. The chair and the vice-chair of the university board are elected from amongst the external members.

The management has, however, changed in the 'new' university organisation. Fewer teachers, researchers and students are integrated into the administration and management in the 'new' organisation, in contrast to the management situation in former organisations. The rector states his understanding of the confusion that the new management has caused within the university community (speech 2010). Traditionally, the ideal of collegial decision making was present at all levels of the university.

5.4.1 The regional impact of students

The rector discursively stresses the importance of the students in the university community. Also, the importance of the alumni is emphasised. The rector includes himself in the discourse when describing the welcoming ceremony of the new students.

> "There is almost no other situation more intriguing in the everyday work of a rector than personally welcoming our new students with a handshake, arriving at the Joensuu campus – who only barely fit into this hall and the one next to it anymore." (Speech 2003)

The higher education policy in Finland stressed the number of students. Higher education is offered to 70 % of young people in Finland (speech 1999). The consequence of such a higher education policy is concretely present in the university semester opening ceremony. The two large auditoriums are filled with new students and the rector welcomes the students with the assistance of the vice rector (speech 2003). The rector stresses how pleasant it is to meet the alumni of the university. The rector can meet the alumni of his university in Parliament, business or at school (speech 2003). The concept of campus is also used in the discourse because there are two campuses in the University of Joensuu: Joensuu campus and Savonlinna campus.

The rector discusses his delight in meeting the new students in 2007. The value of the new arriving university students is not totally understood in the local area. The autumnally arriving new students stimulate local life. You may never guess what kind of future specialists in the field of culture, politics, business, education or some other field there are among the new students (speech 2007).

The discourse of the regional impact of the students continues in 2010. Not all of the possibilities that the University of Eastern Finland offers via its students are utilised effectively in the local area. There are fruitful opportunities for cooperation between local businesses and university students. The internships, thesis and projects offer opportunities for local enterprises and organisations (speech 2010). In 2013 the rector discusses the start-up businesses that have been incorporated by the university students during the 2010s. Since the 1990s, there have been innovative enterprises in Joensuu that have been created by university students, for example, the word wide known IT-company Blancco (speech 2013).

5.4.2 Student recruitment and the attractiveness of the university

Student recruitment is changing. There is competition for the new students. International mobility has increased and the rector describes it in 1999. Earlier, young people went abroad to study only in the cases when they were not admitted to a university in Finland. Nowadays, there is real competition for the good students (speech 1999). This subject is discussed in an interview with the rector in November 2014, as well.

The competition for the good students is also increasing due to other reasons, as well. There are different forms of universities entering the higher education market, such as global distant and virtual universities (speech 1999). But there is something that a virtual university does not offer. That is a community. To grow towards academic thinking requires a living community around the student. The community cannot be replaced by communication technology. The technology can support the learning, but it does not replace the living interaction with people (speech 2000).

The basic asset of a university is a living and innovative academic community. This community consists of the students and researcher-teachers from different fields (speech 2001). In Finnish higher education, the students are seen as members of the university community, whereas in Anglo-American universities, the students are treated as customers or consumers (speech 2013).

In Finland, the admission procedure into universities is arranged through entrance examinations. The entrance exam system creates the atmosphere among the students that it is like winning the lottery when passing the university entrance exam (speech 2000). There are pressures in Finland to change the university admission system. The aim is to simplify the admission procedure and speed up the journey from high school into university (speech 2003). The rector states the university's perspective on student admissions.

> "It is in our university's best interests to offer study places above all to those who want to complete their degree specifically in the University of Joensuu" (Speech 2003)

There are challenges in student recruitment. Especially in the areas with fewer inhabitants, the attractiveness of the study and living environment has to be improved (speech 2004). As long as Helsinki is the capital, it is important that the capital area gets labour that knows the other parts of the country besides the capital area (speech 2001). On the other hand, the image that the young people want to live in the capital area is rather much to do with the hype made by the tabloids than the real situation (speech 2001). When the young people form a family, the different aspects of life are taken into consideration. The night clubs of a university town are no longer the main criteria for applying to a specific university (speech 2001).

The attractiveness of the campus is not solved by image building campaigns. The critical factors are the functional labour markets in the area. Supportive factors are a tolerant and dynamic image of the area (2001). There is lots to do in order to increase the attractiveness of the area in Joensuu for the university students. The much better results are accomplished by cooperating with local stakehold-

ers on this matter (speech 2001). It is important for the student recruitment that there are nationally and internationally attractive fields and degree programmes offered at the university (speech 2004).

The renewal process of the university strategy influences the rector's speech in 2004. The rector posits the vision for the University of Joensuu for the year 2015. A pessimistic scenario concerns student recruitment in the local area. The rector describes how the main mission of the university might be to offer education to the diminishing group of young people who cannot afford to apply to top Finnish or international universities. Because of the lack of resources, the university cannot offer proper working conditions for the young, nationally and internationally mobile top researchers. Therefore, the main mission of the university should be teaching and producing knowledge within the degree programmes for the local labour market (speech 2004).

The merger of the two university organisations in eastern Finland may be interpreted as an act with the aim of preventing such a pessimistic scenario from occurring. But there is still the challenge of student recruitment in the new organisation. Eastern Finland is the main recruitment area for new students for the new university organisation. The graduates of the university are also expected to find a job in eastern Finland (speech 2011). Therefore, it is a challenge for the University of Eastern Finland to become familiar and well known among the young people and their parents (speech 2012).

In the interview (19.11.2014), the rector stresses that the transformation process in student recruitment is still in its infancy. The big change is about to come. Student recruitment has been selective, so far. The university has been merely making decisions on who to admit.

But the idea of student recruitment is turning around. Now the questions within the university are how to attract good new students and where to find new students who are interested in studying in the University of Eastern Finland. The transformation of student recruitment is noted by the rector (interview 2014), and is one of the features of the biggest change in university logic. There is change in university logic from a static accounting office under a state-bureaucracy, not to being merely business like but rather a *business oriented* organisation.

5.4.3 Tuition fee themes - hegemony and internationalisation
The legislative reforms make it possible to charge tuition fees on a trial basis to students from outside the EU/EEA countries who are taking part in separate master's degree programmes, provided that the arrangements include a scholarship scheme (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/index.html?lang=en 3.2.2015 klo 14:50).

There is an ideology in support of free university education in Finland. The rector through his speech changes the ideology and the social practice of tuition fees discursively. The discourse including themes concerning the tuition fees at university intensifies in 2009. Although, according to the new university law, degree education will still be provided free of charge.

The concept of free university education is broadened discursively. Limits on the amount and length of studies are discussed. The rector questions (speech 2011) the subjective right of the student to accomplish degrees covering an overly broad range of courses or multiple university degrees for free. The Finnish welfare state cannot afford it any more (speech 2004 and speech 2011).

The rector also poses the question (speech 2011) of why the Finnish tax payer should offer free education to international students without any compensation to Finnish society. The ideology of free the studies is stressed discursively by pointing out that the subject is taboo (speech 2011). The rector implies power by discussing this ideological subject and exposing himself to criticism. As a result, the ideology of free university education is open change discursively.

The tuition fee themes were discussed in 2002. The rector introduced aspects of the positive effects on study culture brought about by limited tuition fees. The limited tuition fees could lead to more effectiveness in studies and the study morale could improve. The financial benefits of the tuition fees on the university budget are not significant (speech 2002).

The effectiveness of the study process is measured at university ten years later. The new financing system of the Finnish universities from 2015 onwards includes an indicator of the effectiveness of the study process. The discourse occurs in the rector's speech in a trust building manner. The rector states in 2013 that on the basis of this indicator the University of Eastern Finland has been successful and is situated amongst the top Finnish universities.

The students are against the tuition fees in Finland. The rector discusses the subject in 2013.The students are represented in the university management organs through the Student's Union. The promotions of interests are stressed in the Students Union. The benefits gained influence the statements of the unions. That is why the Students Union appears to the rector – 'paradoxically'- to be more conservative than the students on average are.

This statement was based on the experience of the rector when discussing, issues such as the renewal of the admission procedure with the Students Union, stimulating elements of the student allowance and the tuition fees for the international students outside Europe. (speech 2013). The rector is not against the Students Union. That fact is stressed immediately in the speech. The rector highlights that he sees that the Students Union, where the students automatically join as members, belong to in the Finnish university institute and form a very strong element of it (speech 2013).

The trust perspective is included in the discourse of the tuition fees. If there are tuition fees for the international students, and the limits to the length of studies as well limits on the number of free degrees which can be awarded, the students need to step out of their familiar practices and routines. This could destroy the ground on which the students have based their trust in the university organisation. The students need to have good reasons from the rector in order to successfully step away from their familiar territory.

As noted above the discourse surrounding tuition fees evolved before the major university reform in Finland. In 2002 the rector would like the discussion about the tuition fees to be analytical and impartial. Even though the type of higher education that is free and financed by taxes is considered valid by all parties, discussion is needed. The discussion should concern subjects such as; the freeness of university education for international students and on what terms, the question of the length of studies without limits, the question regarding the limits for the length of a degree, and how many possible 'free' degrees is it possible to accomplish (speech 2002). If there are tuition fees launched for international students outside Europe, a scholarship procedure should be created, states the rector in 2002.

There is interest in recruiting students from outside the Europe for Finnish labour markets (speech 2002). The rector continues to discuss the increasing recruitment of international students in 2006. International mobility is a natural part of the global world. Multicultural study groups enhance the international skills of the Finnish students. (speech 2006). This is stressed especially in 2013, as the new organisation is established:

> "…, our university should give our graduates the international skills they need to work anywhere in the world,…" (speech 2013)

In 2006 the rector continues to discuss the benefits of internationalisation by stressing that, secondly, Finnish society needs international academic labour. Thirdly, education can be seen as a service that creates added value (speech 2006).

Internationalisation is emphasised in the new Universities Act (558/2009) as one mission of the universities; "*The universities must arrange their activities so as to assure a high international standard in research, education and teaching.*" The rector states in his second speech as the rector of the 'new' university in 2011 that "the University of Eastern Finland is much more international than either of its forerunners were." The rector puts these words to international students and staff as well in 2011;

> "The new international student body and faculty give an outstanding impetus to the local university culture and the community …"(speech 2011)

5.4.4 Summary of the discourse on democracy

Traditionally, management in a university is based on democracy, whereas currently managerialism seems to influence collegial decision making procedures. As discussed by the rector, there are fewer teachers, researchers and students integrated into the administration and management in the 'new' university organisation after the merger in this case study. The change in management causes confusion in the 'new' organisation. Traditionally, there was the ideal of collegial decision making, covering all decision-making levels at the university.

But there are still features of the collegial decision making procedures present in the management of the 'new' university organisation, as the students and

staff have their representatives in the new university organs. The basic organ of the management in the 'new' university is the university collegiate body, which consists of the representatives of the professors, other personnel and students.

Student recruitment is changing. There is competition for new students. The attractiveness of the university area is an important feature of the student recruitment process. The innovative and international atmosphere of the region induces young people to apply to the local university. To create these attractive factors, cooperation between the university and stakeholders is needed.

Cooperation at a local level is needed in order to attract new students to apply for and attend university. The awareness among local stakeholders about the impact of the university students on the local area and business should be emphasised. The benefits gained by the cooperation between university students and stakeholders are reciprocal. The university students provide their input to the local business life and environment through internships, projects and research. The students furthermore become active customers for local products and services.

The rector as a university manager discursively formulates the expectations about the stakeholders' behaviours concerning the university. The cooperation between local stakeholders and the university is appealing. By giving the speech in the university opening ceremony, where the stakeholders are invited, communication with the stakeholders is also initiated. As a consequence, the trust development process between the stakeholders and university may start to unfold. By noticing there is a win-win-situation because of cooperation, the level of vulnerability may be reduced.

The student recruitment concept is undergoing a transformation due to changes in the environment and demography. From the logic of student selection the university is turning towards enticing students to the region and the university. The university and the local region need to be attractive enough to allure young people to apply. This novel student recruitment procedure entails a new mind-set among the university community. The old practices should be given up and new ideas taken on board. As the rector stresses, the university is not transforming into a business organisation, and, accordingly, the students are not seen as customers – the procedure is not business like, but *business oriented*. Sharing knowledge and ideas about the nature of the transforming university organisation builds trust. The discourse of the rector enables the members of the university organisation to act in line with the new circumstances.

The hegemony of free university education is undergoing change. The rector transforms the hegemony discursively by questioning why the subject is taboo. The rector provides perspectives on free university education, stressing limits on the number of degrees accomplished for free and the length of the studies. The tuition fee theme occurred in the rector's discourse several times during the research period – it is not solely connected to major university reform discourse.

Students are vulnerable when the tuition fees are discussed. From the Finnish students' perspective, there is a risk that if the tuition fees were settled for international students, the procedure may eventually be directed to all university

students. Therefore, the representatives of the students in the Student Union are against tuition fees for international students. The rector sees the Student Union as being more conservative than average students are on the basis of his experience.

The trust development process regarding tuition fees was already unfolding in 2002 when the rector highlighted the positive aspects of limited tuition fees on the study culture. This can be interpreted as meaning that when something is paid for it is valued as well. The representative of the Student Union attended the university opening ceremony and was therefore able to hear the rector's speech. The Student Union representative also gave a speech at the opening ceremony. There is a formal reciprocal ceremonial discourse initiating communication and, thus forming the basis for the trust development process.

The temporal illustration of democracy discourse and themes during 1998-2014 is described in Figure 11 below. I identify the trust development process within the democracy discourse.

Globalisation, internationalization and virtualization		
1999	Competition theme	Student recruitment Increasing international mobility Emergence of the global virtual universities
2000-2004	Technology & communality and Study effectiveness themes	Evolving tuition fee discourse Attractiveness of the local area: cooperation with stakeholders
2005–2007	Themes in internationalization and impact of students at local area	Reasoning of tuition fee Encounters with students
2009–2011	Theme of transforming management and vulnerability	Diminishing collegial decision making and increasing managerialism Hegemony of freeness of university education: taboo Cooperation between students and local stakeholders
2013–2014	Themes concerning novel orientation	From student selection towards attractive student recruitment Conservative Student Union Students performing entrepreneurs *Business oriented* university logic

Figure 11: The temporal illustration of democracy discourse and themes during 1998–2014

5.5 MANAGERIALISM

Managerialism is the newest and gradually the dominating logic of management in universities (Räsänen 2005, 22-23, Dearlove 1998, 59). The most visible part of the logic of managerialism in Finland in the 1990s was Management by Objectives (MBO). The case university in this study has a history of proactivity in university management. "Lump-sum-budgeting", where budget control was decentralised from the state and given to the university, was used from the late 1990s. This management aspect was emphasised because the lump-sum allocation of the budget was also decentralised internally within the university and diversified to departments.

The results and outcomes were measured. The measurement mostly concerned the accomplished master and doctoral degrees. The university reform in 2010 also stresses (Kallio 2014, 79) international activities (student and staff mobility and international partnerships) and the research publications as the measured results and outcomes.

5.5.1 Managerialism as an ideology discourse

Ideologies in discourse (Fairclough 2003, 9) are representations of aspects of the world which are contributing to establishing, maintaining and changing social relations of power and domination. Propositions, such as "in the new global economy, the universities have to be big enough and highly competitive to survive" dominate the debate. The globalisation and competitiveness discourses can be found in this study. The ideology of managerialism emphasises the need for management in the university organisation.

The ideology of managerialism can be seen in universities at the end of the 1990s. The rector describes the features and aspects of the new ideology in 1998. Working and study norms are transforming into business like norms. There are business-like features within the university, such as the service production and customers, sponsorship by enterprises, tuition fees and the university real estate transformation into a commercial enterprise.

The rector indicates discursively that none of these changes on its own are anything to be against. The question is rather the whole entity that these business-like features form concerning the universities.

> "With market appeal I do not necessarily mean such radical forms as private universities. There is a new functional ideology which is seen in many recent features of development and discussion topics such as the pronounced increase in charged services, titled professorships of economic life, tuition fees, outsourcing universities' property management; all in all, the changing of our work and study norms towards doctrines similar to the business world." (Speech 1998)

The management at the university is transforming. There are two opposite views on how the universities should be managed; as a static accounting office under a

state-bureaucracy or as a business organisation. The rector proposes a compromise in 2003. There are features in the university organisation that are for the accounting office, but there has to be more flexibility in management.

> "Retelling a worn-out saying: Accounting offices we are not, corporations we cannot become, therefore universities we must be." (Speech 2003)

The discourse concerning the strategy of the university emphasises the change in discourse. The change in discursive practice can be interpreted as a change in management. The emergence of the business concept discourse refers to the processes of new discourses emerging. Emergence relates to the constitution of new managerialism discourses as a new articulation of elements of existing (old) discourses which are related more to a military environment than a university.

The discourse surrounding the term strategy is posed in 2004. The rector describes how the universities are facing increased competition . Therefore, a strategy is needed in the university as well. But the concept of strategy is divisive within the university organisation. The rector states in 2004 that some people may dislike the strategy because of the military history of the concept. The original meaning the word 'strategy' is "how to win the war".

The university organisation is not fighting a war with anybody. But as the rector highlights in 2004, in the global economy, the university organisation is also facing the world of competition. At the university institutional level, there is competition for the resources, money and for the best students and researchers.

The discourse concerning the structure of the university institute in Finland was very current in 2006. The universities in Finland were criticized for not accomplishing the aims of their mission, especially for regional purposes. The rector stressed the need for more flexible management in universities in 2006. In his view Finnish universities were too rigid to operate in markets for higher education and research which are continuously becoming more international.

There are new management and business expressions in the rector's speech indicating the change in management discourse. The university needed to be managed in a novel manner in order to succeed in international *markets*. But the products of the university are defined discursively as public goods in 2005. The nature of the learning and research process at a university is at its best a social process. The nature of the outcomes of the university is public goods.

Although the rector does not accept the idea of the marketization of university education and research products, there are managerialistic concepts used in 2005. Concepts such as *customer groups* and *marketing ability* appear.

> "For example, success in the internationalising education markets calls not only for know-how in marketing but above all, for care for quality." (Speech 2005)

The rector explains discursively the effects of the new Universities Act on university management in 2007. According to the rector, there have been misinter-

pretations in the logic of the new university law concerning the legal identity of the universities. The interpretation that the universities are transforming into business organisations is wrong. The rector sees it as the opposite. The reform will ease the bureaucracy within the university organisation. But it will require professional management (managerialism) at the university –management in a university context.

The rector sees (speech 2007) that it is not 'perhaps relevant' to equate the university organisation with a knowledge-intensive business organisation. On the other hand, in 2010 the rector describes the mode of the university as "reminiscent of a modern hi-tech-firm".

The rector clarifies (speech 2007) the difference between a university organisation and business organisation. In a university, the processes of education and research take more time and are longitudinal. The university organisation takes more risks when it is creating and producing new knowledge. The university organisation is also an open community. New knowledge is delivered free of charge outside the university organisation and to future generations.

Discourse concerning strategy appears ten years later when the rector discusses the formulated strategy of the 'new' organisation in 2014. There is a change in discursive practice. The business style concepts are used in a university organisation context discursively without hesitation. Adapting managerialistic concepts to a university organisation discourse is no longer expected to raise suspicion, as it did 10 years earlier, within the discourse around the idea of adopting a strategy.

In 2014 the rector discusses the novel strategy of a 'new' organisation. The new strategy of the university organisation for 2015-2020 puts an end to the merger process. The implementation of the new discursive practice concerns the *brand-identity* and *visual image* of the new organisation. The concept of a business organisation, such as brand-identity, is used in a taken for granted manner. The rector does not explain discursively the use of the concepts to the university community. The rector states in 2014 that the new visual image and brand-identity will be launched publicly within a few weeks. This is interpreted as forming an organisational culture which is shared in the 'new' organisation in a way that emphasises the 'new' organisation's similarity when involved with others (Hatch 1997, 205).

The university reform changes the management in the university in a flexible manner. This is due to a strengthening of the inner management and an increase in economic autonomy. There are better opportunities for the universities to react more rapidly to a global and changing environment and accomplish structural renewals (speech 2011). Organisational culture has an impact, as Puusa notes (2007, 70), on the choices of the organisation, such as human resource management and management practices. The unique and adapted organisational culture reflects the applied human resource policy and practices of the organisation.

5.5.2 Proactivity in management in the University of Joensuu

There has been a tradition of management agility in the University of Joensuu within the framework of state-bureaucracy. The university of Joensuu (speech 1998) has been proactive, using Management by Objectives as a pilot university in Finland since the 1980s. There has been a management culture in the University of Joensuu where the management is transformed from the central administration to the departmental level. Teacher recruitment was therefore able to match the strategy of the department.

The rector stresses in 2004 that the University of Joensuu needs to further develop the competitive advantage of the management. This means in practice that the management procedures need to be strengthened at every level of administration. At the departmental level it means that the departments should be strong enough (big) and the distance to the top management in the university is as short as possible (speech 2004). The discourse reflects managerialism.

In 2005 the rector emphasises change readiness and management change. Universities must be ready for change and be able to change. There is a need for university management procedures to become more strategic. The managerial perspective is highlighted further. The rector stresses that there is no reason to tie so many heads of departments to management. While the heads of department are heavily involved in management of the university, the teaching and research suffers. This is a waste of the best resources available for the main missions of the university.

There is a need for structural change within universities. The public discourse evolves in 2005 and demands changes concerning the structures of universities and higher education. The rector confirms discursively in his speech in 2006 that at the University of Joensuu, structural changes are being prepared in a proactive manner. The departments (speech 2006) are combined into larger units within the university. The administration and supportive services are gathered into administration centres.

The discourse of the rector conforms to managerialism. The centralisation of the management and the lower hierarchies enable the academic professionals to concentrate on their core tasks of teaching and research.

The rector continues the discourse focusing on management and social networks in 2006. The dispersed departmental administration which has developed over the years is not functional from the point of view of the social networks. At this point, it is essential how quickly the university community is able to utilise the benefits of the organisational renewal with fewer hierarchies and barriers.

The reactions of the staff towards the changes in the management and the organisational structures are noted by the rector discursively in 2006. At the university community level, the feedback has been mainly positive. At the individual level, there have been disappointments and practical matters are a point of some contention. The rector, however, stresses that without this debate the university would not be a critical and learning organisation as it is supposed to be.

Harinen et al. (2008) conducted a survey concerning the experiences of the employees related to structural changes and trust culture in the University of Joensuu. According to the survey (Harinen et al. 2008, 70), the employees saw that there were limited possibilities to influence the changes at an organisational level. In Harinen et al.'s (2008, 70) survey the working community mainly had positive attitudes towards the changes , except concerning the new pay scheme.

The new pay scheme was applied to universities on 1.1.2006. In the new pay scheme, wages are based on an assessment of the complexity of the task and personal working performance. All the employees in the university were identified by their supervisors. A novel practice of management and performance appraisal was introduced. The performance appraisal negotiation process at the working community level (department) appears to be problematic. As Harinen et al. (2008, 70) state, there was the suspicion of favouritism in the workplace, old feuds resurfaced and social imbalance was perceived in superior-subordinate relationships.

At universities, the relationship is problematic between those who are identified as superiors (or leader) and those who are identified as subordinates or followers. It is more appropriate to think that there are 'constituents' at a university, rather than followers (Birnbaum 1989, 22-23).

The rector continues the discourse about the management at the university in 2007. The university in the rector's view should be managed in its own way because the university as an organisation is one of a kind. The university organisation cannot be managed as a business organisation, but it is important to know the mechanisms by which a business organisation is managed.

The rector discursively emphasises the role of managers at the University of Joensuu in 2007. There are now appointed positions for managers in the university organisation, which means that more teachers and researchers should be able to concentrate on their core task. Therefore, aspects related to the effectiveness and social relevance of the actions no longer need to involve every member of the university community. Neither does everybody in the university need to be involved in a bureaucracy that has gradually 'sneaked up' inside the modern bureau-university organisation.

On the other hand, as the rector stresses (speech 2007), there is a need for the managers of the disciplines and faculties who are responsible for the development and the resources of their field. The discourse follows the idea of managerialism. Management is seen more as a separate and distinct organisational function.

5.5.3 Management change discourse in a transforming organisation

There was confusion within the new university organisation during the merger. Two changes faced the new organisation simultaneously. First of all, there was the new Universities Act (558/2009), which meant the universities' management and decision-making system were to be reformed. The reform gave universities more power by reducing the steering of universities by state administration. The universities would, therefore, no longer be developed as part of a state administration, but in terms of their main mission: education and research. Secondly,

there was the negotiation, commitment and execution process of the merger at an inter-organisational level between the two university organisations (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/?lang=en 15.4.2015 at 14:50).

In 2007 the rector explains and discusses the two great changes which the university organisation was facing. The new university law had led to changes in management at the university. Additionally, the university organisation was transforming due to the cooperative inter-organisational relationship between the University of Joensuu and University of Kuopio. The rector explains that the strategy of the federation of the University of Eastern Finland aimed to strengthen the organisation as a research intensive university.

The form of the cooperation between the two universities, whether an alliance or a federal university, was discussed a lot. At the time of the opening ceremony at the beginning of September 2007, the rector uses the concept of a federal university. But later on, on the 26th of September 2007, the university boards in Joensuu and Kuopio made a decision for deeper cooperation and a merger. The 'new' university organisation was founded and named as the University of Eastern Finland (UEF).

As Bachmann & Inkpen (2011, 284) state, trust between individual and collective actors is based on the decision of one party to rely on another party under conditions of risk. In line with Bachmann & Inkpen (2011, 284), the two university organisations in this case study permitted their fate to be determined by each other and risked that the two organisations may experience negative outcomes, i.e. loss, if the other organisation proved untrustworthy. In the merger it can be seen in the actions taken that the two organisations decided to invest trust in the relationship. The action of the merger shows the existence of trust between the two organisations. The parties involved in the merger understood that the different procedures of the two universities could be united. The merger as 'a leap of faith' is discussed in more detail in Chapter 6.

The strategy and challenge concerning the university reform and merger is easy to verbalise, but to transform the strategy into deeds is not as easy (speech 2007). The aim of the new university organisation was to strengthen the volume, quality and impact of the research. The chosen strategy of building an international research intensive university in the regional context is clarified by the rector. The aim of the new university is to be a research-intensive university which accomplishes international level research in its top fields (speech 2007).

The rector positions discursively a novel university entity within the university institute. The rector sees the comparison of the university in eastern Finland with top universities in the United States and Great Britain as being absurd and strange. On the other hand, as the rector states, the researchers at Harvard or Cambridge are not superhuman (speech 2007).

The new autonomy of the university emphasises management, instead of collegial decision making. The rector (speech 2010) points out the consequences of the university reform (law) on the university community. The idea of the deliber-

ate concentration of the decision making to a smaller group of responsible people, e.g. managers, may be confusing at first. This confusion is understandable in the university community. Collegial decision making concerning all the functions and levels in the university has been a heartfelt ideal. The university management is changing firmly from bureaucracy and collegial decision making towards managerialism.

The execution of the merger unfolded at the beginning of 2010 when the 'new' organisation started to operate as the University of Eastern Finland (UEF). A discursive practice is used to change the social practice of management as the rector clarifies what the new management means in practice. The rector stresses (speech 2010) that the aim of the new management is to recognise and utilise the best knowledge of each member of the university community.

There has been a commitment process (Ring & Van De Ven 1994) with planning projects groups during 2007 until 2008 to plan the future functions of the new organisation. By working within these groups, the members of the former organisations have been interacting face-to-face. The employees are getting to know each other. The familiarity and common jargon due to the interaction are formulating a world-in-common. Due to the interaction, there are possibilities for the assessment of the other party's ability, integrity and benevolence. Hence the vulnerability should decrease by gaining more knowledge about the other party. Trust in the other party should evolve.

As the new organisation starts to operate, these project groups are to be integrated into basic functions of the new organisation (speech 2010). This integration means the end of the planning process of the new organisation. The tasks of the project groups will be integrated as part of the routines and practices of the new university organisation. After 'a leap of faith' there is 'no time for a honey moon this year' the rector notes in 2010.

In the 'new' university organisation, there are not as many official collegial meetings as there were in former organisations. The collegial decision making takes a lot of resources, and, therefore, the aim is to have fewer academic professionals involved with management. To utilise the best knowledge and expertise of each member of the university community does not require decision making at all levels and lots of meetings. Hearing the party, providing information and having a transparent administration does not require endless ongoing meetings and multi-level decision making procedures in a collegial and bureaucratic decision making manner.

In his second speech as the rector of the 'new' university organisation in 2011 the rector clarified the idea of the university reform concerning the university management change. The university reform has been criticised as destroying the Humboldtian (Bildung) style university idea. There have been accusations that the universities are being transformed into business-like organisations and the universities are being directed by the markets. The rector tackles this issue discursively. The rector summarises the message of the speech in 2011 as a 'defence of the classical Humboldt university conception'.

The universities cannot be interpreted as an enterprise style organisations in Finland, although the discourse surrounding innovation universities may reflect otherwise (speech 2011). The rector admits discursively that his statement is open to criticism. There is intertextuality within the rector's discourse. The rector refers to the book authored by Chancellor Illka Niiniluoto from the University of Helsinki titled "Dynamic civilized university" and adds within his opening ceremony speech, that there is a time limit on going deeper into the subject.

The trust building process is interpreted as being enhanced by the strategy process of the 'new' organisation. The strategy process of the 'new' organisation took place during 2013. A novel form of management in the new university is demonstrated during the strategy process. The strategy process is communal, instead of an entirely top-down process (Eriksson & Lehtimäki 2001, 202) in the 'new' organisation. There are several possibilities for the university community to participate and provide contributions to the new strategy. The feedback is used to benefit the formulation process of the new strategy.

Integrity appears in the strategy process of the new organisation. The strategy is justified by a communal planning process. There is basic build-up of trust. The new strategy will be formulated and finished by the time the new rector starts as the manager at the beginning of 2015.

5.5.4 Summary of managerialism discourse

The management appears to change toward managerialism in the transforming university. The discourses of globalisation and competitiveness are found in the university context in the rector's speeches. The ideology of managerialism emerges. There is also the emergence of a new discourse including business concepts as a new articulation of existing (old) discourses which were earlier related more to a military environment than a university.

The discourse around the concept of strategy emerges in 2004 and describes how universities are facing increased competition . Therefore, a strategy is needed in the university, even though the idea of a strategy may alienate certain people in the university organisation. When the discourse concerning the strategy appears ten years later, the business style concepts are used in a university organisation context, discursively and without hesitation.

The new Universities Act (558/2009) emphasises management and there is a fear in universities that they will be transformed into business organisations. This fear is wrong. The rector sees it as the opposite. The reform will ease the bureaucracy within the university organisation. But it requires professional management (managerialism) in the university – but in the university context. There is a clear need for the managers of disciplines and faculties who are responsible for the development and the resources of their field. The centralisation of the management and the lower hierarchies should enable the academic professionals to concentrate on their core tasks of teaching and research.

A discursive practice is used to change the social practice of management in the university. The aim of the new management is to recognise and utilise the best

knowledge of each member of the university community. In the contemporary 'new' university organisation, there are not as many official collegial meetings as there were in the former organisations. Collegial decision making takes up a lot of resources, and, therefore, the aim is to have fewer academic professionals involved with the day to day management. On the basis of the rector's discourse, utilising the best knowledge and expertise of each member of the university community does not require decision making on many levels and large numbers of meetings. Hearing the parties involved, providing information and transparent administration does not require countless meetings and multi-level decision making procedures in a collegial and bureaucratic decision making manner.

The discourse follows the idea of managerialism. Management is seen more as a separate and distinct organisational function. The temporal illustration of the managerialism discourse and themes during 1998-2014 is described in Figure 12 below. I identify the trust development process within managerialism discourse.

Managerialism as an ideology		
1998	Themes of marketization in university	Not avoidable, but applied in a university context Tradition of management agility in the University of Joensuu
2003	Theme of management in university	Proposing the compromise between bureaucracy and business style management
2004	Competition theme	Further development of gained competitive advantage in management Explaining the concept and reasoning the need for strategy
2005	Change readiness theme	Construction of the novel identity of university organisation
	The new pay scheme 1.1.2006	
2006–2007	Themes concerning structural renewals	Structural renewal within an organisation forming larger entities Reasoning professional management in a university context Structural renewal uniting two university organisations
2007–2008	Planning process themes	Evolving trusting another party in a transforming organisation

2010–2011	Themes concerning novel management	Tension between democracy and managerialism Reasoning the management transformation
2013	Theme of novel practices	Strengthening trusting to a new organisation applying communal strategy planning process
2014	Managerialism themes as taken for granted	Implementing novel discursive practice

Two becoming as one
common brand identity
common visual image

Figure 12: The temporal illustration of managerialism discourse and themes during 1998–2014

5.6 CONCLUSIONS

As I discuss in the Chapters 2 and 4, and indicate in the Chapter 5, it seems that the university management in this case study is changing from bureaucracy and collegial decision making towards managerialism. I illustrate and describe the management change and the organisational transformation through CDA applying a process view in Figure 13.

Operationalization

Recontextualization

Hegemony

Emergence

External change forces:

Internal change forces:

Management emphasis: supervisors identified,

performance appraisal structure,

supervisor-subordinate discussions

Positioning of university across local and national boundaries; Parter with stakeholders

Strategic partnership

Merger

University reform; Management emphasis

'New' university organization in Eastern Finland

Ideology of managerialism

Autonomy demand

Globalization

Public criticism

Marketization

Internationalization

Internationalization

Regional policy themes kept silent

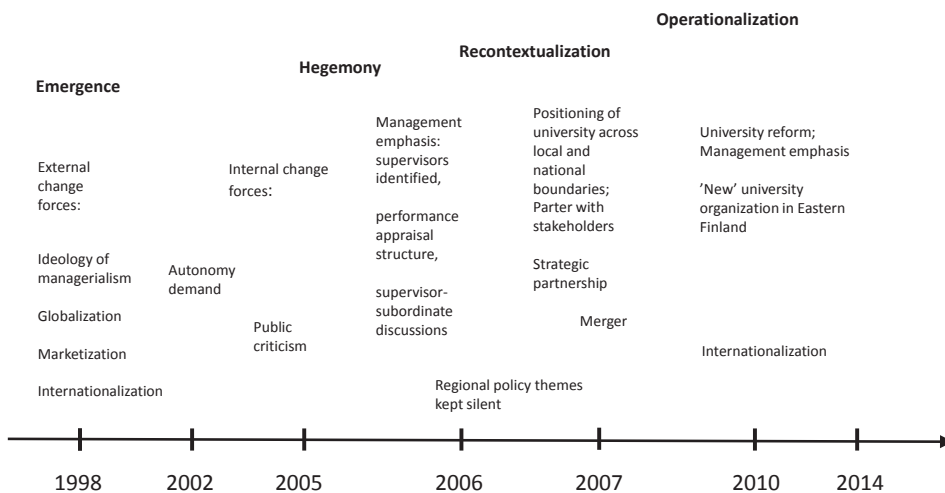1998   2002   2005   2006   2007   2010   2014

Figure 13: CDA describing the management change and the organisational change in the case study

The new discourse reflecting a managerialism ideology emerges in 1998. The discourse surrounding demands for autonomy within universities emerges in 2002, because universities are seen as being manageable as state-bureaucracies in the global environment. Public criticism towards the Finnish university institute emerges in 2004, and strengthens further in 2005, furthermore emphasising structural renewals in 2006, as I illustrate in Figure 13.

Management procedures are emphasised in universities, particularly when the new employees' pay scheme is introduced in 2006. Supervisors are identified within the university organisation and a novel performance appraisal structure with supervisor-subordinate discussions is introduced.

There are full time managers in a contemporary university organisation, which means, according to the rector's discourse, that teachers and researchers are able to concentrate on their core missions. Thus, the university organisation is supposed to gain effectiveness and competitiveness. The emergent discourse of managerialism has become hegemonic.

The positioning of the university in a local context changes during this longitudinal study. The management discourse in the transforming university organisation in this case study is re-contextualised at the local and national level. At the end of 1990s and at the beginning of the new millennium, the regional policy themes are discussed frequently in the rector's speeches. But when the discourse concerning the major university reform begins in 2006, the themes concerning regional policy in the context of university organisation are not mentioned.

From 2006 onwards the university is positioned discursively by the rector in his speeches more as an active player or subject in the local area. The university acts as a partner with local stakeholders; business and start-up entrepreneurs. The university is not only discussed as an object of national regional policy.

The process approach is illustrated in Figure 13 though the timeline is not divided equally on a yearly basis. The years 2005, 2006 and 2007 contain revolutionary changes in the case university, therefore time is seen as socially constructed through human action, and illustrated as event-based (see also Figures 9-12) (Orlikowksi & Yates 2002, 684). The active role of the rector in this study is recognised in shaping the temporal features of the university organisation, while also being aware of the way in which the rector's actions are shaped by conditions outside his immediate control, in line with Orlikowski & Yates (2002, 684).

In the transforming university organisation, the donation funds are a very important source of resources. Due to the major university reform in 2010, the universities have broad financial autonomy. The government will continue to guarantee sufficient core funding tied to the rise in costs for the universities. In addition, the universities are able to apply for competed public funding and use the revenue from their business ventures, donations and bequeathals and the return on their capital for financing their operations. The crucial element for the success of the contemporary university is that the local stakeholders support the basic funding of the university as well as operate as a partner within the projects.

After the major university reform, the universities are able to pursue independent human resources policies and improve their attractiveness as an employer. The strategy of the new university organisation stresses innovative recruiting. Novel risk taking and less bureaucracy in recruiting the future top researchers and teachers are emphasised. Professionals with new ideas and inner motivation that is strong enough to make progress in the science world are to be found using novel strategic recruitment strategies. The recruitment of the international researchers and teachers will become an everyday procedure in the future.

Student recruitment is changing. There is competition for new students. The question within a contemporary university is how to attract good new students and where to find these new students.

The attractiveness of the local area is essential for recruiting new students and staff to the university. University students and professionals have impacts on the local area and business. The benefits gained by cooperation between the university and its stakeholders are reciprocal. The university students and professionals provide input to the local environment, business and cultural life through internships, projects, research, and as customers.

The operationalisation of management change discourse occurs through the merger and the university reform. The strategic choice of the merger of the two university organisations in eastern Finland was made in order to sustain the international level research university. To be a research university organisation enables the continuum of university professionalism in eastern Finland. This is interpreted as motivating researches and teachers to commit to the transforming university organisation. The strategic choice of the merger and the aim to be an international research university confirms the organisational ability to carry out the basic mission of the university. As a consequence, the strategic choice sustains university professionalism.

There is a need for cooperation across campuses and disciplines in the new university. Knowledge should be shared and combined into innovative and novel perspectives in order to solve actual problems in society, which are multidisciplinary in nature. The enabling effect of trust is the key for cooperation. On the basis of research by Coleman (1988, 101), a group in which there is trust and trustworthiness is able to accomplish much more than a comparable group without trust or trustworthiness .

Trust is built in the university organisation by establishing and maintaining fair and equal organisational practices. When the organisational practices such as management procedures, organisational norms, information sharing, communication and interaction within the organisation are tailored in a way to build and retain trust 'the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another' (Rousseau et al. 1998) increases and leads to cooperation. Trust may be seen as a form of social and cultural capital in a transforming university.

6 Trust development process in a transforming university organisation

I shall discuss the trust development process in the context of a merger between two university organisations next. The action of the merger, as 'a leap of faith' (Möllering 2006), shows that there is a willingness to be vulnerable between the two university organisations. In the case study two universities invest trust in their relationship and take risks. The cooperation entails trust. Trust on the other hand develops and grows through cooperation and interaction.

The common interest of being a competitive international research university in eastern Finland bonds the two university organisations. The nature of the competition that universities face is discussed in the framework of five competitive forces by Porter (1990). The competitiveness of research universities is measured, for example, by rankings. Therefore, I describe the theme of rankings in the rector's discourse in this chapter.

I interpret the trust development process in the rector's speeches and in an interview with the rector. On the basis of the rector's speech, the university community and stakeholders form expectations about the intentions and behaviour of the two university organisations and the transforming university organisation. I describe the trust development process by combining two models. The trust development process between the two university organisations, as in a cooperative inter-organisational relationship, is described by applying the model of Lewicki & Bunker (1996) to the framework presented by Ring & Van de Ven (1994).

The university rector as a manager in a 'professional bureaucracy' (Minzberg 1983) plays a key role in the trust development process in the transforming university organisation. I discuss the basis of trust in the rector and the power of the rector at the end of this Chapter 6.

6.1 STRATEGY AND REASONS FOR MERGER

Globalisation and information and communications technological changes raise new challenges for the universities. There are diverse demands posed from the local, national and global level towards university. At the national level, the larger units of the university organisation are demanded in politics and by economic

and business operators. On the other hand, locally the university is seen as a stable and well-resourced organisation which receives generous resources from the government budget.

The former organisations prior to the merger, the University of Joensuu and University of Kuopio, were both founded in the 1960s as part of the regional policy in Finland. Thus, there is a common history and regional similarity between the two university organisations. These factors build the basis for mutual partnership and enhance the trust development process.

> "In a way, this merger will fulfil the idea of one comprehensive university in the eastern part of Finland, which was originally presented in the public discussion before the foundation of these two universities and Lappeenranta University of Technology in 1966." (Speech 2009)

The faculties of both universities are differentiated. Thus, there are only a few parallel functions in education as such. The compatibility between the two university organisations with complementary disciplines is favourable. The research on the other hand gains benefits from the disciplines of both the universities. Greater scientific entities are achievable and therefore better possibilities for international level top research exist. As a consequence, these factors are interpreted to bring safety and confidence with positive expectations concerning the ability of the new organisation within the two university organisations.

Thus, it may be interpreted that there is a basis for trust to initiate and develop in the new university organisation. Trust develops on the basis of cognitive evaluation of the organisational ability, which is one factor of trustworthiness (Mayer et al. 1995, 717) of the new university entity perceived by the employees.

The rector provides assurance in 2010 that an international research university is in the best interest of eastern Finland. This will require the ability to give up what is less essential. For example, it may be necessary to give up programmes and duties that might be more appropriate and natural to universities of applied sciences. Similarly, it may also be necessary to abandon certain types of education if sufficient education is given by the other universities in Finland - also for the needs of eastern Finland.

This discourse may bring a decline in trust and raise suspicion in the minds of the members of the 'new' organisation. There is no guarantee of stability and permanence from the perspective of the programmes in the future in transforming organisation. There is a constant adjustment of the positions of education and research within the transforming university organisation.

The process view of change, such as positioning and transformation is reflected in an interview with the rector. The interview question 7 (Appendix 4) concerning organisational change and the merger process was set along the classic idea in Lewin's (1951, 228-229) model of change, in three steps: unfreezing, moving, and freezing. At first, there is the creation of change readiness and "unfreezing" the current status quo. Then, the implementation of change and the

building of the new organisation and procedures are followed. Eventually, the new procedures and practices in a renewed organisation are stabilised.

The rector discusses (interview) the change in line with the process perspective. According to the rector, "The only thing that is permanent and stable is change." It is important to finalise the certain development 'arcs' but there are constant new changes emerging. As Tsoukas & Chia (2002, 571) state if change is reduced to a series of static positions – "… its distinguishing features are lost from view. Change per se remains elusive and unaccounted for –strangely, it is whatever goes on between the positions representing change."

The transformation process is present already at the beginning of 21st century. In 2000 the rector introduces the concept of glocalization. The university operates in an environment which is global and local at the same time as illustrated in Figure 14. The simultaneous processes of globalisation and localization change the operational environment of the university organisation. The ability to operate under a state-bureaucracy does not meet the demands for the management of a contemporary university organisation. Larger units and flexible management is needed in order to compete in a global higher education market.
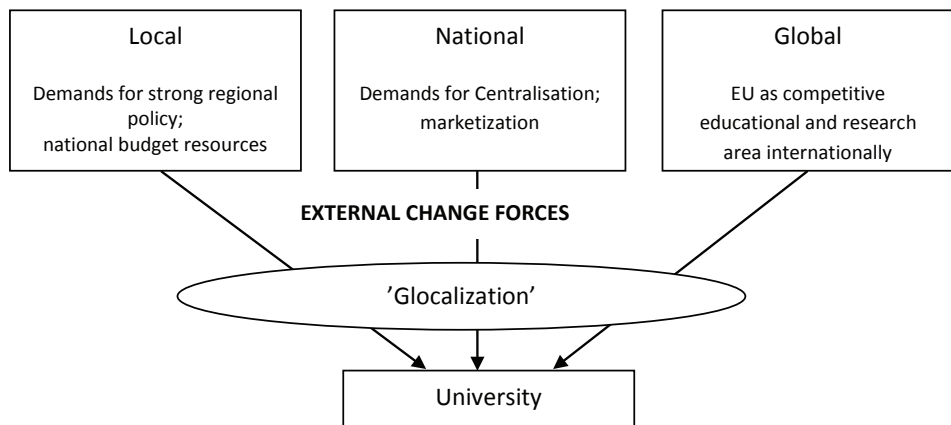
Figure 14: Change forces at different levels affecting the merger process of the two university organisations

The strategy of how to manage in global competition is stated by the rector in 2000. It can be interpreted as the first statement regarding the merger and the seed for the formation of the University of Eastern Finland. The dichotomy of the required changes to compete in the global environment is stated in this quote as well; the university has to manage locally and globally:

"A university similar to Joensuu, and not a larger one either, cannot survive alone in to this world. We must search for companionships both with other high education institutions and with companies which again calls for a completely new operating culture and new control models. In a world of infinite high education, universities are no longer under the nation-state's protection but are more independent than before yet at the same time, agents that are vulnerable to risks and whose operational environment is at the same time local and inter-national. Thus the oncoming change demands more advanced control of both internalisation and localisation from universities." (Speech 2000)

Organisational strategy determines the goals which in turn send signals within and outside the organisation about the expected behaviour and the organisation's real values and priorities (Burke & Litwin, 1992). The coherence and effectiveness of the strategy can directly affect interpretations of organisational ability. The strategy also signals the organisation's intention to act with integrity and benevo-lence towards its employees and stakeholders (Gillespie & Dietz 2009, 131). The rector points out in 2004 the importance of strategy in university context.

"I know that some of you may sigh and think: why again and do we need a strategy alto-gether? My reasoning is straightforward: the control of changes in our operational environ-ment compels the administration to continuously review our management policies. Merely for the sake of the commitment of the university community, these policies need to be done occasionally on a larger basis and also with a longer time horizon. This time, a fitting time horizon could be the year 2015, i.e. the three subsequent performance agreement periods. Personally I do not believe in preparing for the future with a longer time horizon." (Speech 2004)

The rector states in 2004 that some people may be alienated by the use of the term strategy within the university community because of the military history ("How to win the war") of the concept. The university institute is facing a competitive environment. There is competition for resources, money as well as for the best students and researchers. And furthermore, in the contemporary era, the com-petition is supranational.

"Some people may consider the term 'strategy' odd because of its warlike conceptual history –the original definition of the term is indeed 'the discipline of winning a war'. A comparison to military strategy does not exactly fit a university, but a world of competition close to it also characterises the university institution. On an institutional level, there is competition for resources and funding as well as for the best students and researchers. Today the arena for universities' competition is increasingly clearly supranational." (Speech 2004)

The rector continues the strategy discourse in 2004. At an everyday level, the strategy may be understood as the wide range of policies concerning the future directions and choices of the university. One choice would be to operate without re-evaluating the contemporary strategy; believe that there is nothing to assess

concerning the contemporary situation and the operational decisions may be accomplished without the anticipation of the options.

The rector stress in 2004 that the University of Joensuu can influence its' future through its' own choices and actions. Along with the process that emerged at the end of the 1990s, the University of Joensuu and University of Kuopio merged and constituted a new university, the University of Eastern Finland, in 2010.

The rector discusses the aim of the merger in his speech in 2011. The purpose of the merger is that as two universities would become a more competitive research intensive university with excellence in teaching and learning. The demands of operational efficiency would be met. In the rector's view there are better possibilities for the new university to meet the demands for competitiveness that are due to globalisation.

The competitive strategy of Michael E. Porter (1990, 33-34) is applied to demonstrate the role of the university institute in international higher education markets. The industry, in this case the university institute in the higher education sector, is the arena in which a competitive advantage is won or lost. The university organisation, through its competitive strategy, seeks to define and establish an approach to competing in higher education markets that is both profitable and sustainable. The industry attractiveness and competitive position can both be shaped by the organisation. Successful organisations not only respond to their environment, but also try to influence the environment in their favour.

The merger of two university organisations allows new bases for a competitive advantage in higher education markets. The rector discusses the challenge of the new alliance of the University of Eastern Finland in 2007. The motive for the alliance of the universities is articulated within the competitiveness discourse by the rector:

> "Thus the motive is above all to respond together to the intensifying external competitive situation." (Speech 2007)

According to Porter (1990, 34-35), a competitive strategy must grow out of a sophisticated understanding of the structure of the industry and how it is changing. The rector describes the changes in the environment using the discourse of competitiveness in his speech in 1999. There is a dichotomy within the discourse concerning how to adapt and face the new millennium but still valuing the tradition and history of the university institution.

> "However, our surroundings for competition are in the process of changing rapidly. When previously, people left to study their degrees abroad only if they didn't receive a desired study place in Finland, nowadays we really have to compete in the supranational arenas for talented students and researchers, as well as teachers. In addition, completely new agents are arriving in the field, for example different global distance and virtual universities. The new situation challenges also Finnish universities to search for network-based forms of collaboration outside our country's borders." (Speech 1999)

The rector discusses how the competition environment of the university is totally different at the beginning of the new millennium. Therefore, the policy in the 21st century of the university has to be considered crucially from the novel perspective. The unique legacy of the university has to, however, be kept in mind.

> "However, in the beginning millennium, our surroundings in terms of competition are totally different. Thus we must reconsider our operational policy for the 21st century from new offsets yet not forgetting our own unique heritage." (Speech 1999)

The competition for the same resources with universities of applied sciences is criticised by the rector

> "Creating overlapping education systems unnecessarily burdens the budgetary framework of the Ministry of Education and in a way it means less resources for universities." (Speech 1999)

The functional impact of universities and universities of applied sciences is discussed in 2003. There should be a clear division of functions between universities and universities of applied sciences in the region. The universities of applied sciences should provide higher education for professional expert jobs, based on the requirements of working life and support the regional development. The co-operation between the higher education institutions is highlighted in the rector's speech in 2003. There should be good cooperation between universities and universities of applied sciences at a local level (2003).

The higher education system in Finland consists of universities and universities of applied sciences. The dual model of higher education was created at the beginning of the 1990s. The universities of applied sciences were able to offer master's degree level education from the beginning of 2005. The rector states in his speech in 2006 that the higher degrees in universities of applied sciences are a political reality. Doctoral education is offered only within universities (http://www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/rakenteellinen_kehittaminen/16.4.2015 at 17:05).

The rector states in 2006 that no matter what the future of the dual model of the higher education is, it is important that the University of Joensuu is an internationally competitive institution and produces doctoral degrees in all its' academic fields in the future. In order to accomplish this mission, the University of Joensuu should be resourced well enough.

There is an important role for the regional stakeholders, politicians and business, to act on behalf of the university. The fact that this makes this challenging is the politics in favour of the capital area (2006).

According to Porter (1990, 35), in any industry, whether it is domestic or international, the nature of the competition is embodied in five competitive forces: (1) the threat of new entrants, (2) the threat of substitute services, (3) the bargaining power of suppliers, (4) the bargaining power of buyers, and (5) the rivalry among the existing competitors. The five competitive forces that determine the university in higher education markets are demonstrated in Figure 15 below
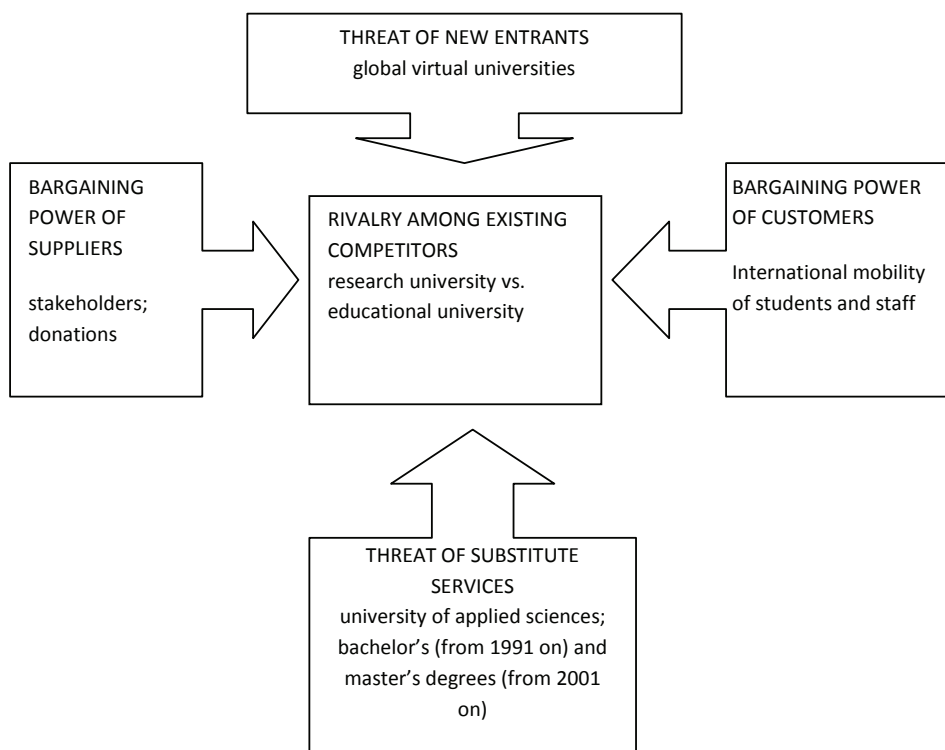
Figure 15: The five competitive forces determining the competition of the university organisation in higher education markets (Adapted from Porter 1990, 35)

According to Porter (1990, 37), in addition to responding to and influencing industry structure, an organisation must choose a position within the industry. The rector is positioning the new university organisation into the field of Finnish universities. The rector states in 2007 that according to number of publications, the federal University of Eastern Finland is third in Finland, right after Helsinki and Turku.

As Porter (1990, 37) states positioning embodies the organisation's overall approach to competing. At the heart of positioning is competitive advantage. In the long run, organisations succeed, relative to their competitors, if they possess a sustainable competitive advantage. There are two basic types of competitive advantage: lower costs and differentiation.

As a public sector organisation, the university's competitive advantage is based on differentiation or on its profile. Profiling is the ability to provide unique and superior value to the students in terms of education, to be an attractive employee to professionals as teachers and scientists and offer valuable partnerships to stakeholders. Competitive advantage translates into a higher productivity than that of competitors.

The rector gives encouraging words to the university community in order to achieve the goals that are addressed to the university federation in 2007. He states that the good results and output of the new organisation have been made by

good and active researchers and research groups. The administration can create a better or worse basis for the output by developing competitive research environments and career prospects. The rector believes that there is a basis in Joensuu and Kuopio – partly together and partly apart –for a few top research fields, in order to accomplish the required level and succeed in Finnish and internationally known research fields (2007).

Themes related to competitiveness are found in the discourse in 2002 through intertextuality. The rector refers to the higher education researcher, the rector of University of Twente, Frans van Vught. According to Vught European universities also have to boldly be part of the competition in global markets, find their own market niches, create their own quality products, convince the essential stakeholders and create their own alliances (speech 2002). The managerialism discourse is also present in this speech.

The competitiveness and the ability of the university organisation is measured and evaluated according to international university rankings. The rankings as such (Kallio 2014, 82) are quite a novel phenomenon in a Finnish university institute, although there is a tradition of evaluating academic and scientific activities by colleagues. The ranking named the Shanghai-list was published in Finland in 2003 for the first time (Kallio 2014, 82).

The discourse concerning the rankings appears in the rector's speech in 2005. The rector states that according to the marketing logic of the daily press, the annual university rankings seems to have a frequent publicity value (speech 2005). The rector contrasts the rankings to Eurovision song contests. The rankings could ignored just like Eurovision song contests (speech 2005). The rector sees that rankings like the "Shanghai list" measure only the success of single universities and the volume in selected fields. The rankings do not measure the success of the whole university institute. At its worse, concentrating on the top university policy will destroy the basis of the broad knowledge which the competitiveness of our country has relied on over the last decades (speech 2005).

In 2005 the rector discusses the future direction of the development of universities. The rector stresses that there should be patience in developing a strong Finnish university education system. It seems now that options are being sought for benchmarking universities in the USA or England, along with the information given by the "Shanghai list" –type rankings. 'At the end of that road' is the strong presence of marketization especially concerning the mission of education in universities. State-bureaucracy will be replaced by a heavy accreditation system and ranking-based market information.

The success in research would depend on the donators. There could be the danger that English style attractive 'Mickey Mouse' programmes would replace expensive basic science fields, such as chemistry and physics (speech 2005). The rector clarifies the that the concept of 'Mickey Mouse' programmes was used by the former higher education ministry in Great Britain. The rector sees that this kind of development might have been noticed in some Finnish master's degree programmes (speech 2005).

While the discourse on rankings occurred earlier in a sceptical way, the rector spoke in 2008 of the rankings in a taken for granted manner. The rector states that the aim of the University of Eastern Finland is to be positioned among the 200 best universities in the Shanghai-list rankings and the British Times Higher Education- rankings (speech 2008).

What is the significance of being among the 200 best universities? This question is posed by the rector in his speech in 2008. The University of Eastern Finland is not to be compared to 'so called' international top level universities which have enormous resources and highly selective recruiting policies (speech 2008). Instead, there is a very realistic comparison to be made to many very good European research universities, which typically also have strong regional and national educational responsibility (speech 2008).

The rector admits that from the perspective of the international specialisation our choice is ambitious (speech 2008). Only a few Finnish universities have possibility to become genuinely international research universities (speech 2008). In this discourse, the rector is positioning the new organisation.

The rector talks about the position in the ranking lists of the University of Eastern Finland in 2010. The strategy of the university is to be a strong multidisciplinary and international research university (speech 2010). The rector states that this strategy is a very good start. The independent ranking lists have announced that the University of Eastern Finland is positioned as 308 in the QS World University Ranking. The ambitious aim is to be positioned at 200 in 2015 (speech 2010).

The rector gives part of the speech in 2011 in English. The rector states the aim of the merger and refers to the competitiveness of the emerging university:

> "The aim of the merger in our case was, first of all, to be a more competitive research intensive university with excellence in teaching and learning and, secondarily, to meet the demands of operational efficiency." (Speech 2011)

The rector discusses teaching, research and the rankings in 2011. The link between teaching and research has been the traditional 'supporting pillar 'of the Finnish universities (speech 2011). In practice, the relationship between teaching and research is tense. In the contemporary era of evaluation, the outcomes of the research are stressed at the expense of the teaching. In particular, the international university rankings are based on research. And these rankings are receiving lots of publicity (speech 2011). Even though the university aims to be one of the best 200 universities in the strategy, the rector stressed discursively that it must not 'blur' the unity of teaching and research (speech 2011).

The strategic discussion about achieving a position in the top 200 best universities is present in the rector's speech in 2012. The rector provides assurance that all the essential international rankings have indicated that 'we as a university are' within Finland and also worldwide, in many fields at the level that 'we have set as a target'. But the rector admits that the aim to achieve the target of being amongst the top 200 leading universities in the world is very challenging (speech 2012).

The rector discusses the relationship between the three missions of the university; education, research and societal impact i.e. supporting the development of the wider society. According to the rector, being a research university does not mean that the teaching and societal impact has to be dominated by the research mission (speech 2012). This cannot be the situation especially at a university which is close to its region in multiple ways (speech 2012).

The rector continues in 2013 to discuss the importance of the education and teaching mission in the new organisation. The competitiveness and ability of the university is also measured from the mission of education. The rector is referring to the indicator of efficiency in the study processes (speech 2013). There is an indicator of the amount of the credits accomplished by the students within the university funding scheme. The rector states that the University of Eastern Finland is situated at the 'sharpest peak' among the universities in Finland, according to the indicator in question (speech 2013).

6.2 TRUST DEVELOPMENT – MERGER AS 'A LEAP OF FAITH'

Research on trust development has shown (Kramer 1999, 575) that individuals' perceptions of others' trustworthiness are largely history-dependent processes. Interactional histories give decision makers information that is useful in assessing another party's intentions and motives. This information provides a basis for drawing conclusions regarding other party's trustworthiness and for making predictions about their future behaviour (Kramer 1999, 575).

The interactional history between the university organisations in eastern Finland originates within business education at the beginning of the 21st century. The common interest in offering business education in universities in the Joensuu and Kuopio area led to a reciprocal relationship between the three universities; Joensuu, Kuopio and Lappeenranta. The Lappeenranta University of Technology awarded the business degrees in the network-based business educational structure.

As noted earlier in Chapters 4 and 6, the network between three universities did not function well in the long run. The University of Joensuu and University of Kuopio wanted to award business degrees themselves because the education was given entirely by each university. Naturally, as Nevala states (2009, 448), the Lappeenranta University of Technology was against the enlargement of business education in eastern Finland.

Simultaneously, the alliance process between the University of Joensuu and the University of Kuopio proceeded in 2007. The two uniting universities were granted permission by the Ministry of Education to issue business degrees in common at the University of Joensuu and the University of Kuopio as part of the development of the University of Eastern Finland in 2007 (Nevala 2009, 448). Additionally, there was the structural renewal process of Finnish universities at the same time.

Through three simultaneous processes; the process of structural development of Finnish universities (Niilo Jääskinen and Jorma Rantanen), and an integral process to create a federal university in Eastern Finland (Reijo Vihko) and, the process of the development of business education (Pertti Kettunen and Ilkka Virtanen), two university organisations merged to meet the challenges of globalisation and competitiveness as a larger unit. 'A leap of faith' (Möllering 2006) was taken in 2.5.2007 (see Figure 5).

The existence of trust between the two universities may be interpreted as being shown when *action* is actually taken. The action of a merger follows the trustor's (i.e. the two university organisations) decision to *invest* trust in the relationship. Through 'a leap of faith', trust transforms uncertainty into a risk that the trustor accepts and interaction becomes possible (Bachmann & Inkpen 2011, 284).

There is trust between the two university organisations and this has transformed the uncertainty into a tolerable risk. The two universities chose the merger in preference to the alternatives and they defined the situation as one of trust (Möllering 2001, 409). Therefore, trust enables strategic actions that would not be possible otherwise because trust 'bridges risks' (Luhmann 1979) (Sydow 2006, 377).

As a consequence, opportunities for interaction and cooperation are created. The enabling effect of trust makes knowledge-sharing possible. And therefore, as Sydow (2006, 377) stress, trust is considered as one of the foundations of organisational competitive advantage (Barney and Hansen 1994). Trust is considered in this situation to be an element in an organisational level, rather than an individual level (Sydow 2006, 377).

There is a risk of one party being disappointed by the action of the other party in the case of a merger. If cooperation is achieved and the competitiveness of the new organisation is acquired, the risk has been worth taking. Therefore, the merger is 'a leap of faith'.

Organisational trust building requires practices that enhance co-operation at organisational level (i.e. macro-level). Being a set of people operating together, the trust building process at an organisational level entails interaction between persons as well (i.e. micro-level). Therefore, face-to-face interaction and communication is needed in an organisation in order to build organisational trust.

When a new organisation is formed, the organisational arrangements are able to reduce the risk of untrustworthiness. The organisational arrangements act like a third party guarantor (Bachmann & Inkpen 2011, 284- 285) of organisational trustworthiness. Such organisational arrangements include the human resource policy, organisational norms and practices of the management as well as organisational reputation.

In order to function successfully, the new university organisation should be trusted by its employees, students and stakeholders. The rector as a senior manager and a representative of the university organisation plays an important role in the trust development process. Trust in the rector may be extended (Tan & Tan 2000, 242) to trust in the university organisation.

The rector is able to select conditions that are conducive to the emergence of trust. The rector can create and maintain the bases for the cooperation within the organisation and with the stakeholders by promoting the positive perceptions of a trusting state of mind. As Möllering (2006, 79) notes, a trusting state of mind towards a trustee in the present promotes positive perceptions of a trusting state of mind in the future.

6.2.1 Emergence of calculus-based trust

I describe next the trust development process by combining two models. The basis for trust during the early stage of a relationship is called calculus-based trust, according to Lewicki & Bunker (1996). Lewicki & Bunker's three stage-trust development model builds on an idea that trust develops gradually and grows with mutual experience in work relationships over time (Möllering 2006, 89).

I describe the trust development process in cooperative inter-organisational relationships, adapting the framework of Ring and Van de Ven (1994). There are three consecutive stages of negotiations, commitments and executions which are supplemented by continuous assessments of the balance of efficiency and equity in the relationship. Formality and informality need to be balanced at each stage, and the continuous assessment of efficiency and equity influences the further development of the relationship (Möllering 2006, 91-92). I combine the two models in order to describe the trust development process; I emphasise the process view by the model of Ring & Van de Ven (1994) and trust development by the model of Lewicki & Bunker (1994).

The emergence of calculus-based trust in 2005 is described as the rector discusses (interview 2014) the annual summer meetings of the rectors in Eastern Finland. The emergence of calculus-based trust and the negotiation process in the context of merger of the two university organisations is illustrated in the timeline in Figure 16.

The rector notes in an interview (2014) that he did not personally know many people, besides the rector, in the University of Kuopio. The local provincial government in eastern Finland had annually organised informal summer meetings of university rectors. These informal meetings enabled interaction and communication between the rectors. During these meetings, there was a general discourse of cooperation but the merger was not stated as an option.

It was not until 2005, when the University of Joensuu and University of Kuopio, 'for the first time expressed aloud' that there could be benefits from engaging in a merger. There were signs of a calculus based form of trust in the discourse between the two university organisations. The concept of the 'merger' was mentioned in the rector's speech at the opening ceremony for the first time in 2005. The rector stated that forced alliances directed by outsiders are not desirable but strategic alliances with the neighbouring higher education institutes are attractive - as far as there are benefits to be achieved which are obvious for all the parties (speech 2005).
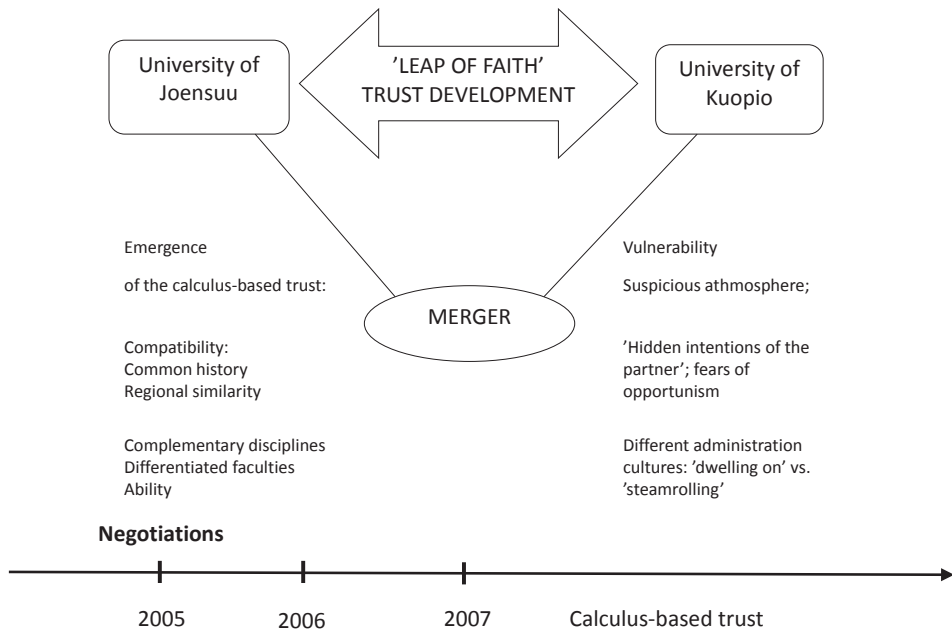
Figure 16: Merger as 'a Leap of Faith' and the emergence of trust: negotiations

The Lappeenranta University of Technology was not included in the discourse in year of 2005. "The idea of the structural development was rippling in the air" as the rector states. And "the next kindling" towards the merger was the deepening of the cooperation within business education.

In cooperative relationships between organisations, it is typical that there is the co-existence of cooperation and competition, as Möllering (2006, 78) notes. Trust will emerge as a consequence of repeated interactions over time, if and when the parties involved uphold norms of equity (Möllering 2006, 78).

The Lappeenranta University of Technology wished to end the network within business education in Eastern Finland and withdraw. The Lappeenranta University of Technology wished to focus on strengthening its own profile and let business education remain a minor subject in Joensuu and Kuopio, as the rector notes in an interview (2014). But the University of Joensuu and the University of Kuopio considered business education to be too important to be left as a minor-subject. This common interest strengthened the cooperation between the University of Joensuu and the University of Kuopio as the rector states in an interview (2014).

The University of Joensuu and the University of Kuopio left a common application for a potential structural renewal of the two university organisations with the Ministry of Education. The application was prepared by Professor Reijo

Vihko's group and left at the Ministry of Education in 2006. The rector discusses in 2007 that including Lappeenranta University of Technology as a third actor in the federation would have formed too heterogeneous an entity, whilst its inner composition would be incoherent.

The motive for the merger was the strategy of becoming a stronger university according to the rector's interview (2014). By operating as single universities, the University of Joensuu and the University of Kuopio would be small players. The change readiness was signalled towards the Ministry of Education as well. The resources were saved and small funds gained from the Ministry of Education as the rector notes in the interview.

There were assessments concerning efficiency (Ring & Van de Ven 1994, 93) made concerning the cooperation between the two university organisations. An equally important criterion for assessing a cooperative inter-organisational relationship, according to Ring & Van de Ven (1994, 93-94) is equity, defined as "fair dealing". The construct of equity builds on an idea in which individuals seek to reconcile their self-interests with the need to maintain social relationships. Fair dealing does not necessarily require that inputs or outcomes are always divided equally between the parties. Fair dealing also implies that all parties receive benefits that are proportional to their investments (Ring & Van de Ven 1994, 93-94).

As Tirronen et al. (2016, 183) state, the initial idea concerning the cooperation was not the merger but the strategic alliance between two autonomous universities at the start in August 2006. But after negotiations between Ministry of Education and two partner universities, a new proposal was prepared by adding a federation as a basis of cooperation. The idea of the federation was introduced to the Ministry of Education by the two universities and met the requirements of the Ministry. The federation of the Universities of Joensuu and Kuopio was selected as one of the three spearhead projects in the national structural development of universities. (Tirronen et al. 2016, 182-183)

According to Tirronen (2008, 19, 21), the boards of the University of Joensuu and the University of Kuopio decided that the two universities would merge. The boards of the two university organisations decided the name of the new university on 5.10.2007. The University of Eastern Finland was formed – not as an alliance or federation but as one unit through the merger. The merger was actualised when the boards of the former universities decided the operational faculty structure of the new organisation on 16.4.2008. and the commitment was made.

As Ring & Van de Ven (1994, 98) state, in the commitment stage, the parties will attain consensus in their minds when they reach an agreement on the obligations and rules for future actions in the relationship. At this point, the terms and governance structure of the relationship are established either formally with a legal contract or informally between the parties. A series of interactions have been necessary to enable the parties to reach a mutual consent.
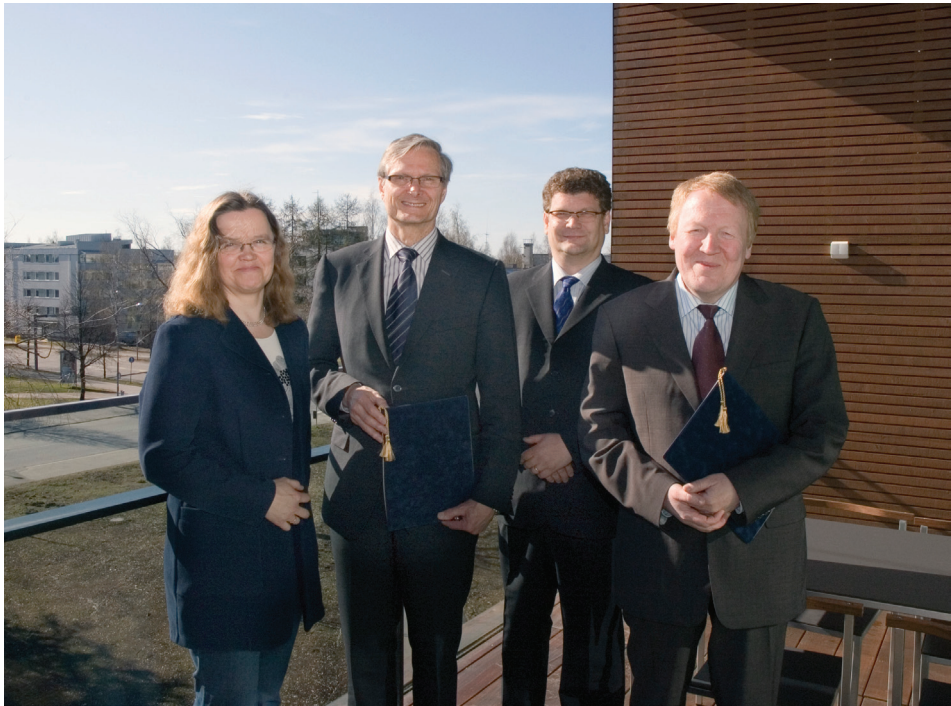
Picture 1. On 14 May, Director of Administration Päivi Nerg and Rector Matti Uusitupa of the University of Kuopio and Director of Administration Petri Lintunen and Rector Perttu Vartiainen of the University of Joensuu signed an agreement on the principles and procedures for the preparation of the University of Eastern Finland to be launched in 2010. (Source: Annual Report University of Joensuu 2007, page 33)

During the planning process of the new university organisation in 2007-2009, the rector states that he knew only a few researchers or personnel of the University of Kuopio because of the unfamiliar scientific field of medicine. The university stakeholders, personnel in the City of Kuopio and North-Savo Federation were more familiar than the personnel of the University of Kuopio. Despite the different scientific backgrounds, the communication between the rectors of the former university organisations was good. The personal chemistry between the two rectors was compatible (interview 2014).

During the planning process of the merger in 2007, the rector discusses (speech 2007) the formation of the new organisation entity. The motive for the alliance was to develop one operational entity so that the basis of the different scientific cultures in the university and the geographical distance would be complementary and in opposition. If this was successful, 'the leap of faith' would be worth the risk. The competitiveness of the new organisation would depend on the success in uniting the two university organisations as one operational and functional entity.

'The leap of faith' and risk is present at the rector's discourse (speech in 2014) as the rector is recalls the merger process in 2008. There were suspicions and predictions concerning the intentions of the new partner during the merger in the 2008 strategy process. Even though the strategy process during the merger was planned comprehensively with the new colleagues, there was still a suspicious atmosphere. The hidden and 'real' intentions of the new partner and colleagues were targets of speculation.

The rector states in an interview (2014) that he believed in the success of the merger process. He did not think (a lot) about the possibility of failure. But there were many whisperers who did. The merger process was so inspiring and challenging that it encouraged the rector to apply for the next period of the rectorship in 2008.

The rector of the former University of Joensuu acted as the first rector of the new university organisation. The rector notes that his professional background supported the structural renewal process. There are parallel elements in the policy-oriented human geography which promote strategic thinking (interview 2014).

Even though there was good interaction between the two rectors during the merger process, the next administrative level met with suspicions between two university organisations (interview 2014). Medicine was dominated by University of Kuopio and the humanities (education and social sciences) by the University of Joensuu. The suspicions did not only evolve within the administration. There were also suspicions within the (similar) disciplines.

There was quite strong resistance to change at the middle administration level. This was mainly due to differences between the administration cultures. There was a culture of discussing matters in committees and meetings in the University of Kuopio. The discussion culture was regarded as a 'Swedish-style', of 'dwelling on' too much on administration in other university. The administrative practices were more straightforward in the University of Joensuu. This administrative procedure was considered to be 'steamrolling' by the other university.

The other distinction (interview 2014) between the administration cultures was the fact that the administration was built up around the medical discipline in the former university organisation in Kuopio. The administration in the University of Kuopio was centralised. The student admission and administration was a centralised and strong unit.

In the University of Joensuu the administration was decentralised. There was a faculty centred administration, concerning admissions and student affairs. The faculties were more autonomous in the University of Joensuu (interview 2014). The rector thought in an interview in 2014 that this might be one reason for the cultural differences between administrations in the former university organisations. There was less need for discussions or meetings in the decentralised model of the faculty centred administration in Joensuu. The administration culture was more self-directing.

If these differences were too difficult to handle for some of the administrators, they 'stayed there in the outer periphery' of the organisation in both former university organisations (interview 2014). Most of the key administrators and other personnel who did not adjust to the change have left the organisation (interview 2014).

6.2.2 The emergence of knowledge-based trust

As the relationship continues, the members of the two universities get to know and gain knowledge about each other. The information is generated during the interaction with the other party to form a basis for trust. Knowledge-based trust is grounded in the other's predictability. During the history of interaction, information is gathered that allows one party to expect the other party to behave trustworthily (Lewicki & Bunker 1996, 121).

Cooperation is needed in a transforming university organisation. The new colleagues from the other campus are introduced. The ability to discursively reflect on contemporary working methods is needed. Routinisation and tacit knowledge guides the work and common jargon and practices are developed. This brings challenges to the transforming organisation.

There is a need to unite the way of doing things in a new organisation. This conforming of the procedures entails communication between the two parties. While the concepts and manners of the former organisation are still in mind forming new and common ways of doing things is challenging and can lead to conflicts between members of the parties (organisation). When uniting two organisations, the way of speaking about the same things (concepts) varies. Learning the new organisational jargon and practices requires effort by the parties.

There are different ways of interacting between parties in a new organisation. The example of practical differences mentioned by the rector was the separate IT-programmes. As the new organisation was formed after the merger, common IT-programmes were introduced. Besides learning to get along their new colleagues, members of the organisation need to learn new skills. The trust level of the workers may decline because the domain of ability may change overnight; yesterday you may have been an expert and the next day a novice in your profession. The building of trust is needed at an organisational level to bring back the trust level of the workers in their abilities in the context of the new organisation.

In the new university organisation, e-communication procedures were utilised because the campuses were situated far apart. Videoconferencing, e-learning and communication technology were all used in the new organisation. To be able to operate fruitfully via video-conferencing, the other party has to be known and familiar. That is why the personal contacts and interaction between the members of the parties must be organised in a new organisation. As the familiarity increases, negotiation via video conferencing becomes easier. The familiarity enhances trust (Luhmann 1979 and Möllering 2006, 94). The more there is trust between members of the parties the more productive the co-operation becomes. As Savolainen states (2014, 258), trust building creates added value benefiting the entire organisation, as a competitive advantage strongly rests on creating and sharing knowledge.

Trust at an organisational level ('system trust', Giddens 1990) has a very important impact on trust building processes which include two parties (i.e. two main campuses). From this point of view, as Bachman & Inkpen (2011, 283) note, trust may be conceptualised as an 'organising principle' (McEvily et al. 2003) or an efficient means to coordinate expectations and interaction in relationships.

Organisations are most in need of co-operation from their members during times of organisational change. (Tyler 2003, 567)

As the members of the new organisation do not know each other, the benevolence of the other partner is not fully trusted. There are suspicions concerning the intentions of the members from the other campus. There is also insecurity towards the rector about his willingness and intentions towards supporting both of the main campuses, as well as the third campus in Savonlinna. The aspect of benevolence becomes more ingrained as the members of the organisation get to know each other and gain more knowledge about each other's' behaviour. The trust in the rector's benevolence increases during longitudinal cooperation.

Novel and common working methods need to be found. If there is trust in an organisation it shows in a positive work orientation (Savolainen 2011) and it enables the transaction costs of the omitting new working methods to diminish. Sydow (2006, 379) Trust also eases the communication (Tyler 2003, 567; Savolainen & Lopez-Fresno 2012) about the work procedures with new members of the other campus. The harmonizing process is enhanced. The rector builds trust by offering the general elements of interaction within the university organisation.

By working together, the colleagues get to know each other beyond the campus barriers. As knowledge-based trust is formed, e-communication can be fully utilised between campuses. As a result, the effectiveness of the communication benefits the new organisation. As the rector states in 2010 that by the autumn all the organs and team had been formed. The grass roots development and cooperation, also with labour unions and the Student Union, also proceeds. Thereby a larger amount of colleagues will get to know each other beyond the campus barriers. The rector states (2010) that after the first contact and familiarisation, remote access works well as a natural communication platform. The knowledge-based trust development is illustrated in Figure 17 in a timeline during the commitment process in the context of the merger of two university organisations.

The simultaneous changes that the new organisation faces are confusing and the members of the community cannot separate the changes caused by the university reform from the changes caused by the merger (2010). It is obvious (2010) that there are a lot of changes that would have occurred anyway because of the university reform even if there would have been no merger.

In this execution stage (Ring & Van de Ven 1994, 98), the commitments and rules of action are put into effect. Initially, formally designated role behaviour by the parties reduces uncertainty when they implement commitments, and it makes interactions between the parties predictable. Through a series of role interactions, the parties also become more familiar with one another as people. Thus, they may increasingly begin to rely on interpersonal, as opposed to inter-role, relationships (Ring & Van de Ven 1994, 98).

The rector ends the history of the University of Joensuu and begins the history of the University of Eastern Finland in 2009. The common history of the new university is counted from 1966 when the three universities in Eastern Finland were founded.

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┌──────────────────────────────────────┐
│      University of Eastern Finland     │
└──────────────────────────────────────┘

        Trust decline with transforming domain of ability;
        novel lingos, practices and routines

        Trust building: novel common traditions and
        continuity; familiarity

        Novel common interaction and communication;
        predictability


   Commitment
   ───────────────┼───────────────┼──────────────────────────►
        2008            2009        Knowledge-based trust
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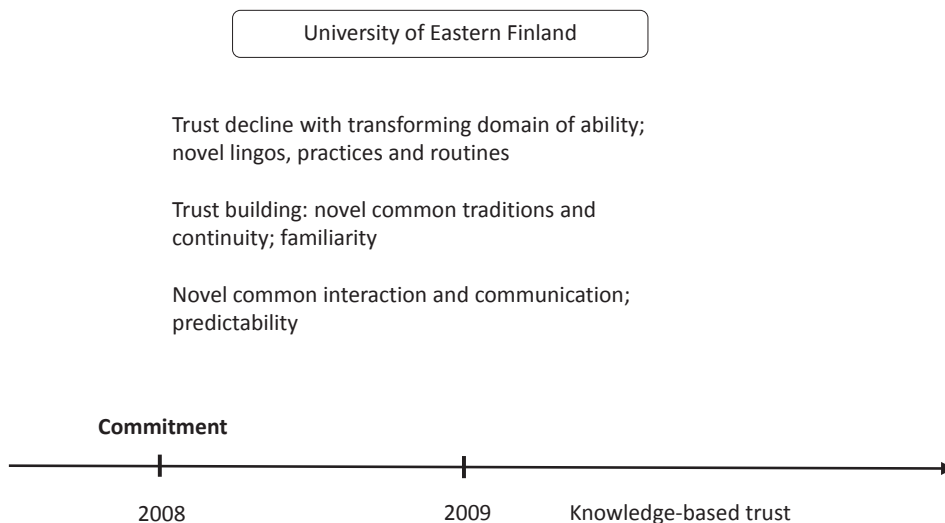
Figure 17: Emergence of knowledge-based trust in the 'new' organisation after a merger

The rector builds trust in the new organisation by promoting positive perceptions and a trusting state of mind for the future in 2010. The rector believes in a better future for the new university organisation. The new university organisation, being larger and more professionally managed, will meet the future challenges better than the former two organisations by themselves – and 'the voice of the bigger organisation will be heard with a more sensitive ear.' (2010)

The trust building process is enhanced by creating common and novel traditions. There is a new and permanent tradition concerning the semester opening ceremony. The teacher of the year will be announced in the ceremony. The rector states in 2010 that this way, the importance of teaching as the other core mission of the new organisation is emphasised.

There is a new sound of music in the second opening ceremony of the new organisation – jazz. The rector discusses the nature of the university organisation. The strength of the university institute depends upon its continuity. The university does not follow the fashion and trends in society. On the other hand, it is natural for the university institute to be open –minded and have the ability to reform. "Therefore, it is important for us every now and then to shake out our old routines." (2011)

A novel tradition to the opening ceremony is added in 2012. There is a campus festival after the ceremony. The festival gathers together the students and staff in a natural way. The festival benefits the integration of international students to the local university community. The interaction is easier in a festival style and relaxing situation.

As two university organisations merge forming one entity, there is lot of learning needed in the new organisation. The rector states in an interview (2014) that the greatest challenge was to unite the administration and scientific cultures of the former university organisations. This is due to differences between these cultures in the former two organisations. On the other hand, the rector notes (interview 2014) that the cultural differences within the administration and scientific cultures were perhaps not that deep after all. Otherwise, the adjustment process would not have been as smooth and amalgamated as it appeared from the rector's perspective.

6.2.3 Two becoming as one – the emergence of identification-based trust

The merger between the two universities in Eastern Finland can be considered as a voluntary merger. There was a full reason to expect a relative smooth merger process according to Tirronen et al. (2016, 180). But the complexity of the merger process became evident only after actual merger in 2010 as Tirronen et al. (2016, 180) note.

The complexity seemed to be related to the divergent academic cultures in the two merging universities, as Tirronen et al. (2016, 181) state. There were also issues on how the merger was initiated and communicated by the management in the 'new' university.

The academic, administrative and management culture at Faculty (and discipline) level was very different in the University of Joensuu and the University of Kuopio. There are challenges to merge divergent cultures, and to create a shared academic culture as well as to bring internal coherence to the merged university. The integration is particularly demanding when historically and symbolically non-complementary cultures are merged. Cultural elements are deeply embedded in academic institutions, and therefore they have a great influence on institutions' everyday activities. Disciplines have their distinctive cultural characteristics, due to which they differ both on social behaviour and on their epistemological considerations. The significance of disciplinary cultures is being largely ignored in university merger practices, as also seemed to be the situation in the context of the merger between the University of Joensuu and the University of Kuopio. While the culture in the University of Kuopio, with the strong Faculty of Medicine, could be characterised as overriding, straightforward and managerial, the culture of Faculties of education and social science at the University of Joensuu was rather negotiating and collegial. The 'new' university was developing a 'virtual culture' aiming to achieve technological and social modernisation. (Tirronen et al. 2016, 180-181)

The after-merger integration process entails the emergence of the mutual understanding concerning the other party's desires and intentions. At this third stage, referred as identification-based-trust, trust exists because the parties effectively understand and appreciate each other's wants; this mutual understanding is developed to the point that each party can effectively act for the other (Lewicki & Bunker 1996, 122). There are still aspects such as calculus

and knowledge which form the basis for trust. Identification based trust also contains elements of feelings (Child 1998; McAllister 1995) and perceptions. (Möllering 2006, 89-90).

Trust is initiated and develops in the transforming university organisation (trustee) on the basis of the cognitive evaluation of the organisation's trustworthiness. Benevolence is the one of the three factors of trustworthiness presented by Mayer et al. (1995, 718-719). Benevolence includes the notion that the trustee wishes to do good, rather (Schoorman et. al 2007, 345) than having an opportunist motive, and has an attachment to the trustor.

A common organisational ethos (Fairclough 1992) concerning the aspect of benevolence in relation to the trustworthiness of the transforming university organisation could be found from at least two perspectives. First, the idea of benevolence is found in the universities Act (558/2009): "the mission of the universities is to promote free research and academic … education, to provide higher education based on research, and to educate students to *serve their country and humanity*." And additionally, as follows: "The universities must arrange their activities so as to assure a high international standard in research, education and teaching in conformity *with ethical principles and good scientific practices*." Therefore, the university organisation's basic ethos could be perceived as benevolence (i.e. for the good).

Secondly, the common organisational ethos (Fairclough 1992) concerning the aspect of benevolence in relation to trustworthiness concerns the core educational fields in both of the former university organisations. The humanities and education in Joensuu and health care and medicine in Kuopio share a common benevolence – to do good for others, aside from any opportunistic motives. It may be assumed that a teacher, as well as a doctor, wishes the best and has an attachment to the student/patient. Therefore, a common organisational ethos of benevolence may be interpreted to create a basic ground for the trust development process when two organisations become as one.

In the new university organisation, this means trust in new colleagues and unfamiliar disciplines. When trust exists, the formation of multidisciplinary research groups is eased and fruitful cooperation that creates innovative and novel scientific knowledge is possible. The chosen strategy of the University of Eastern Finland, as an international level research university, is financially challenging (2010). There needs to be budgeting for strategic allocations, in order to achieve international level research accomplishments (2010). The humanities, educational and cultural sciences are not evidently economically effective. The rector provides assurance in 2010 that in the future those subjects will be essentially needed in an innovation economy.

In 2012 the rector discusses that "we" have remarkable national educational missions. One of them is teacher education. The pedagogic science does not belong in the core fields of the classical multidisciplinary research university. Neither is pedagogy the sexiest field in the marketization driven field of higher education. Nowadays, however, the orientation has changed due to Finland's

success in the PISA (Programme for International Student Assessment) survey. There is no reason to focus on pedagogy at every university in Finland, but the University of Eastern Finland (UEF) without any form of pedagogy science is like a 'lame duck' (speech 2012).

The rector unfolds the trust building management discourse in the second opening ceremony speech in 2011. The rector discusses the multidisciplinary nature of the new organisation. The civilizing, Humboldt-style, university is multidisciplinary. Although the development process of a civilizing university leads to deeper specialisation, now there is an obvious need for multidisciplinarity in the 'new' organisation. (2011). As a consequence, there is a special need in the new organisation in two senses: first, to respect the less familiar disciplines and second, to generate genuine cooperation between disciplines and across campuses.

The rector builds trust (2011) by stating that both former universities have a common multidisciplinary history. In the former organisation in Kuopio, there was multidisciplinarity across themes concerning health and the environment. In the former organisation in Joensuu, multidisciplinarity influenced research with themes concerning education, borders, colour (photonics) and the environment. This discourse also reflects the multidisciplinary strategy later in Chapter 6.3.

The trust building discourse unfolds further (2011)**. The rector gives an example of cooperation across disciplines in practice. The scientific border has been crossed between human sciences and natural sciences. This border has been crossed in research by the Environment and Natural Resources Research Group. The rector stresses that he believes this sort of scientific cooperation across borders is needed on a wider scale in the new organisation.

The rector gives two examples related both to Kuopio campus disciplines and Joensuu campus disciplines. In health sciences valuable contributions are being made by cooperating with social sciences, e.g. in geriatric and effective, but still personal caring, healthy life style and sickness. On the other hand, within educational sciences there is a challenge concerning the attractiveness of natural sciences and integrating it into education.

The rector builds trust (2011) in the UEF by stating the elements for the competitiveness of the new organisation. The rector expresses discursively some bemusement about the opinions that the campuses should be profiled on the basis of human sciences and natural sciences in the new organisation. This kind of profiling will lead to losing the competitive advantage that has been the major motive for the merger. Multidisciplinarity is the reason for forming the larger units and research groups. Multidisciplinarity brings more volume and impact to strengthen the competitiveness of the new organisation.

The rector states (2011) that the humanities are needed in a democratic society to produce innovations. The economy will not grow without the humanities. The rector add to the facts of his argument by stating that there has also been a lack of innovation in societies where inequality exists.

There is a novel aspect to fund raising within universities after the university reform in Finland. Traditionally, fund raising and donations have not been a part of Finnish university culture. Therefore, there is suspicion towards donations within the university community. There is a fear that donators may influence science. The rector eases this fear discursively in 2012. The management change at university aims to ensure the accomplishment of the basic missions of the university; that the teaching and research are public goods and that the resources come from the state budget (tax payers' money). The rector stresses that fund raising from outside is only a minor portion of the budget of the university and it does not constrain the freedom of teaching and research at the university.

In 2011 the rector discusses the fears of marketization in universities as a consequence of the university reform. The rector presents the opposite view. The university reform aims to ensure the basic missions of the university in the contemporary era. Education and research in the university are still public goods and the funding is state-based. The donation campaign from the private sector is only a minimal portion of the university budget and it does not endanger the freedom of science or education.

The rector builds trust in the new organisation by promoting the ethos of the University of Eastern Finland (UEF). In 2012 the rector discusses the core priorities of management at the beginning of the UEF organisation. The main priority for the rector and university management is to unite the three campuses of the university as functional, managerial and physical structures. The aim of management is to build a new sense of community. The operational focus at the beginning of the University of Eastern Finland has been integration. The operational, administrative and physical structures of the new organisation need to be harmonized and integrated.

The developing process of the novel (sense of) community within the new organisation has been the main priority of the management. "Even though there is a great deal to be done with the structures of the new organisation, from now on we have to take special care of the competitiveness of the academic core and the good atmosphere in our university." (2012) A common bond is sensed and felt as the two organisations become one.

Identification-based trust is deepened through special identification-based trust building activities (Shapiro et al., 1992) and according to Lewicki & Bunker (1996, 123). Signs of identification-based trust may be interpreted in the rector's discourse in 2014. The rector refers to sensing a novel community in the new organisation during the strategy building process of the new university. The creation of joint goals enhances identification-based trust. The communally formulated second strategy of the new organisation after the merger serves to support this identification-based trust. Also committing to commonly shared values and focussing on mutual objectives enhance the development of identification-based trust.

It is important to formulate a collective identity for the trusting parties. In this case study, the launching of a visual image and the brand-identity for the new organisation at the beginning of 2015 can be seen as an identification-based trust

building act. Identification-based trust in the new organisation is enhanced by the new, novel symbols that the rector adopts.

> "The campus-specificness will be sustained in the emblems of the predecessor universities worn by us rectors. At the beginning of next year, the rector will wear a new necklace and robes designed for the University of Eastern Finland." (Speech 2014)

These procedures enhance the creation of a 'world in common' in the new university organisation and contribute to the trust development process in the new organisation.

The rector states that from his perspective in 2010 it is important for the management to be present in all campuses. As the rector of the former university organisation in Joensuu and Savonlinna and being familiar with those organisations the rector focuses on being more present at the Kuopio campus and gaining familiarity in Kuopio. The more familiar campuses are not the focus at the beginning.

The campus location is not the basis for the division of the duties of the new rectors from 2015 onwards. The top management is reorganised in a sense that unites the new university organisation. The aim is to reduce the campus barriers and see the university as one entity. The bonding and the two organisations becoming one is signalled by the top management. The identification-based trust development is illustrated in Figure 18 at the execution stage of the merger of the two university organisations.

University of Eastern Finland   UEF

Ethos of benevolence implisitly within the new organization

Bonding: Effective acting for the other;
Lack of opportunism;

Integrity: Fair organizational arrangements, equity

Two becoming as one; 'world in common',
Crossing discipline and campus barriers;
signals from top management

Execution

2010   2015   Vision: Identification-based trust

Figure 18: Emergence of identification-based trust in the 'new' organisation after merger

A model concerning the inter-organisational relationships by Ring & Van de Ven (1994, 98) presents three consecutive stages of negotiations, commitments and executions, which are supplemented by continuous assessments of the balance of efficiency and equity in the relationship. Over the course of time, misunderstandings, conflicts, and changing expectations among the parties are inevitable. These issues may provide cause for rethinking the terms of the relationship. There are re-negotiations needed in order to solve the contested issues. In this way, the on-going relationship is preserved. (Ring & Van de Ven 1994, 98) This procedure may be applied to a horizontally interpersonal level in the university organisation, for example, when forming and working in multidisciplinary research groups.

In Figure 19, the trust development process (Langley et al. 2013; Savolainen & Ikonen 2016) between the two university organisations as in a cooperative inter-organisational relationship is described, applying the model of Lewicki & Bunker (1996) to the framework presented by Ring & Van de Ven (1994).
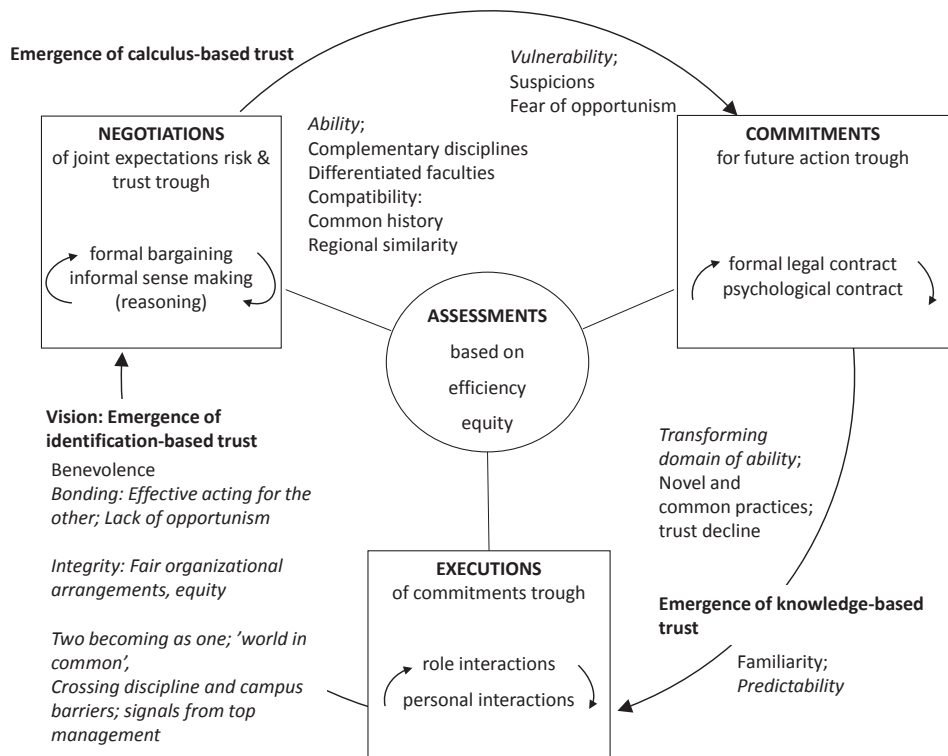

Figure 19: Trust development process between the two university organisations in the context of the merger

The mutual location of the university organisations in eastern Finland can be interpreted as positioning in the same neighbourhood, which is an important factor of identification-based trust development. The geographical factors are also the main challenges to the new university organisation as the rector states in an interview (2014). The location in eastern Finland is one challenge. The economic activities in Finland are accumulated in the capital area, in Helsinki. Functional transport connections are a critical element for the success of the new university organisation. The digital connections between people and information cannot replace or be a substitute for the interaction between people – functional transportation is needed.

The distance between the three campuses is another of the main challenges for the new university organisation. Common possibilities for utilising the multidisciplinarity suffer from the geographical distance between the campuses. Therefore, the inner boundaries within the new organisation (disciplines, departments, and faculties) have to be as flat as possible (interview 2014). The departmental barriers need to be crossed and form a novel sort of cooperation between the different disciplines. The rector also sees (interview 2014) the cooperation within the university organisation as a strength of the new organisation.

6.3 THE RECTOR AS MANAGER IN A TRUST DEVELOPMENT PROCESS

6.3.1 Basis of trust in the rector

Trust in the rector is seen as 'the willingness of the university community and stakeholders to be vulnerable to the actions of the rector's behaviour and actions he or she cannot control' (Mayer et al. 1995). The trustworthiness of the rector is perceived by employees, students and stakeholders on the basis of three factors: ability, benevolence and integrity (Mayer et al. 1995). Trust in the rector is based on the role of the rector (Kramer 1999, 578), as well.

The required ability and competence of the university rector is defined in the law. The university board nominates the rector for a fixed period which is five years at most. The rector is required to be a doctor, but not a professor anymore, according to the new university law (2009/558). A good ability in management is emphasised (http://www.finlex.fi/fi/laki/alkup/2009/20090558 17.5.2015 at 11:22).

Benevolence is sensed in the university community when the members of the community believe that the rector is well-intentioned and honest in his decisions. Integrity implies a perceived fairness and impartiality in a rector's decisions.

The professionals are responsible for and control their own work in the university, but as Minzberg notes (1983, 197), they also seek collective control of the administrative decisions that affect them. These decisions concern, for example, hiring colleagues, promoting them, and distributing resources. The university professors serve on committees to ensure that they retain some control of the decisions that affect their work.

An administrator, such as the rector who wishes to have any power at all in these structures as Minzberg notes (1983, 197) must be a certified member of the profession and preferably be elected by the professionals, or at least appointed with their blessing. This procedure is changing in the university reform. The rector is elected by the university board, where representatives outside the university organisation also influence the decisions.

What has emerged so far in the university organisation is a rather democratic administrative structure and "collegial" organisation (Minzberg 1983, 197). Traditionally, the rector is appointed within the university community. In the university management, the contextual intelligence of the university profession and organisation are considered essential. When the manager (rector) is a professor and distinguished researcher, the predictability and continuity in management within the university community is confirmed. This enhances trust in the university organisation. Therefore, it is hard to think of a professional manager from outside the university without any contextual intelligence as the rector and manager in a university organisation.

Role-based trust represents another form of trust basis in organisations, as Kramer (1999, 578) states. Role-based trust is not based on the knowledge of a person's ability, integrity, benevolence, motives, and intentions. Rather role-based trust constitutes a form of depersonalized trust, because it is built on the knowledge that a person occupies a particular role in the organisation (Kramer 1999, 578).

It is not always clear, as Häkkinen notes (2012, 31), whether the organisational members' trust is trust in the organisation or trust in the manager. In the university organisation, it is not possible for all the members of the community to evaluate the personal trustworthiness of the rector. Individuals, according to Häkkinen (2013, 31), have first trust in the organisation, relying on the manager in the organisation to be trustworthy.

The trustworthiness of the rector is sensed and could be interpreted by the university community and stakeholders, for example, on the basis of the rector's speeches. But many times trust in the rector is based on the institutionalised role a rector has in the university organisation. There is common knowledge within the university organisation about the role of the rector. Trust develops from and is sustained, as Kramer (1999, 578) notes, by people's common knowledge regarding the barriers to entry into the rector's role, and their perceptions of various accountability mechanisms intended to ensure role compliance.

When acting as the rector in the University of Joensuu and then being elected as the rector of the new university organisation after the merger this could be interpreted to indicate that the rector is trusted within the 'new' organisation. The rector continues leading the transformation process. In line with transformational leaders, the rector serves as a role model to stimulate followers to think about existing methods in new ways and encourage them to challenge their own values, traditions, and beliefs. During times of change, the rector also creates an atmosphere of psychological safety to encourage the university community to be

involved and verify for themselves the validity of the new beliefs and values and to explore how they can personally contribute to the changed effort. To avoid employees' cynicism and unresponsiveness, the rector ensures that the employees feel that they are consulted as part of the decision-making, and involved in the process (Parry 2011, 58). The strategy process of the new organisation involved the whole personnel of the university.

When a new organisation is being formed (Shamir and Howell 1999), there is usually much ambiguity and anxiety and a great need for orientation on the part of organisational members. The foundation of a new organisation often requires a leader who can identify opportunities in the environment, develop a vision, demonstrate high confidence in the achievability of the vision, and recruit other parties (students, employees, stakeholders) to support his or her efforts despite uncertainties and fears. (Parry 2011, 58)

The rector exposes his own feeling as the execution of the inter-organisational cooperation through merger takes place in 2010:

> "My own feelings are quite divided amidst all this change. On the one hand, I am genuinely concerned for the stamina of the university staff especially in a university like ours which is merging on a profound level, but also on a larger scale with the whole Finnish university institution. On the other hand, I can only admire the expertise and commitment that the members of our university community have shown during this fast-paced period of change."

The rector reminds us that we should thank our subordinates and even our colleagues much more often. The rector addresses his gratitude to the community and especially to those who have been critical to the changes and giving creative comments and ideas:

> "…we all should much more often thank our subordinates and why not also our colleagues for their important contribution towards our mutual future. On my part I can express this gratitude here and now, also and especially for you who have openly and fairly expressed views that differ from the administration's policies in the midst of this change process. Where else, if not in a university, would criticism expressed in a forward-looking spirit be seen as a driving force? (Speech 2010)

6.3.2 The rector and power

Is the rector in a collegial university organisation powerless? In a professional bureaucracy, like a university as Minzberg (1983, 195) states, the power over the operating work rests at the bottom of the structure, with the professionals of the operating core, as discussed in Chapter 5. According to Minzberg (1983, 199), a professional administrator like the rector may not be able to control the professionals directly, but he or she has multiple roles that gives him or her indirect power in the university organisation (Minzberg 1983, 199; Kekäle 2001, 172-173)

Power is defined by Max Weber (1978, 53) as "…the probability that one actor within a social relationship will be in a position to carry out his own will despite

resistance, regardless of the basis on which this probability rests." Hatch (1997, 282) discusses power as: "A has power over B to the extent that he or she can get B to do something that B would not otherwise do". All power is relationship specific or relational because the power exists within the relationship between social actors. Power is used to attain desired outcomes. Power can involve the use of coercion (the threat of force), reward (control of the material resources desired by the subject), and knowledge (control of unique and needed information). The source of power may arise from authority which is associated with hierarchy in the organisation. The source of power may include personal characteristics (charismatic personality), expertise, and opportunity. Opportunity emerges, for example, when secretaries or administrators use their access to powerful persons as a source of power for themselves (Hatch 1997, 282-283).

The rector has power of authority and he serves at the boundary of the organisation; between the professionals inside the organisation and stakeholders, such as government, local operators, the student union, and business, which exist outside the organisation. Minzberg states (1983, 199) in line with the rector in his speech in 2007 that the rector protects the professionals' autonomy, and "buffers" them from external pressures. The rector states (speech 2007) the main mission of the rector as the leader in the university is to function as 'the bumper' between the university community and the 'hard world'.

The rector may be seen as a patriarch in a bureaucratic university organisation. According to Max Weber (1978, 1111) the patriarch is the natural leader meeting the ongoing, routine demands in an organisation. On the other hand, in a contemporary turbulent university organisation, there are extraordinary needs entailing heterogeneous manners, and therefore perhaps a more charismatic leadership. Charisma is a highly individual quality (Max Weber 1978, 1113). The holder of charismatic authority must work miracles, perform heroic deeds and must prove itself by *bringing well-being* to his or her faithful followers (Max Weber 1978, 1114).

There is autonomy in a professional's work and as Minzberg notes (1983, 195) one is tempted to ask why professionals bother to join the organisations in the first place. There are several reasons, as Minzberg (1983, 195) continues: professionals can share resources, including support services, in a common organisation. Organising brings the professionals together to learn from each other and to get customers or students who usually need the services from the several professionals at the same time.

In a professional hierarchy, a great deal of power remains at the bottom of the hierarchy with professionals. But professionals are dependent on the administrative efforts of the rector – raising funds, resolving conflicts, buffering the demands of outsiders (Minzberg 1983, 198). The professionals' contribution to research constitutes of a very strong source of personal power (expertise) and respect (Kekäle 2001, 172) in the university organisation. As noted earlier in Chapter 6, the rector in this case study was doing very well in his academic career as a researcher when elected as the rector in 1998 (Nevala 2009, 431).

The university reform in 2010 transforms the status and the power of the rector (universities Act 558/2009) as the rector states in an interview (2014). Nowadays, the rector has the executive power originated from the decisions made by the university board.

In the old university system, the power of the rector was vast as the rector notes in an interview. The rector was able to act almost like a dictator for the five years of the rectorship. In the old university system, the rector acted as the chair of the university board. With the help of the network within the board the rector was able to push his decisions through. The 'steamrolling' style is not necessarily successful in the long run. The strong and steamrolling rector loses his trust and the period of the rectorship might be short as the rector notes in an interview with experience of 17 years of rectorship.

In the contemporary university organisation, the role of the board is transformed. The rector is responsible to the board. The rector prepares and implements the decisions but the decisions are made by the board. The rector acts as a referendary in a contemporary board meeting like the director of administration in the university acted previously. The role of the director of administration in a contemporary university organisation has less power than earlier. Earlier, if the rector focused on the ceremonial role of the rector and served mainly on the boundary of the organisation with stakeholders, the director of the administration could have had the opportunity to gain power within the university organisation (interview 2014). The rector needs to be quite strong and act as a CEO in the contemporary system.

The Ministry of Education and Ministry of Finance are essential stakeholders in the university. The Ministry of Education steers the universities through financial, legislative and information control (Juppo 2011, 99). Earlier, the interaction and negotiations with the officials in the Ministry of Education was frequent. (interview 2014) The procedure has changed. The rector does not meet the officials from the Ministry of Education in formal negotiations frequently any more, rather occasionally and in informal situations. The information steering by the Ministry of Education has increased. (interview 2014)

One of the most essential things that the rector has noticed during his rectorship is the importance of collegial interaction. The interaction in collegial networks has gained importance during the course of time. It is important to interact with the other rectors and to be able to provide a common voice on behalf of the universities. It is even more important now than earlier because the Ministry of Education does not steer the universities anymore and the universities are kind of in a 'floating' state. The universities are traditionally very weak in lobbying. This feature has surprised the rector. The contemporary universities together should get a stronger grip on society (interview 2014).

6.3.3 Strategy of multidisciplinarity or 'temple in a desert'

Strategy – as a single, integrated pattern of decisions common to the entire organisation – takes on a unique form in a university as a professional bureaucracy.

Since the outputs are difficult to measure, the goals cannot be easily agreed upon. Professionals in a university organisation work closely with their students and have a loose working relationship with their colleagues. Since there is autonomy for each professional, it becomes logical to think as Minzberg (1983, 200) notes that there is a personal strategy for each professional.

On the other hand, the professionals are constrained by the professional standards and skills they have learned. The professional quality in university is typically measured against discipline based international scientific journals. Thus, (Minzberg 1983, 201; Kallio 2014, 86) the professional society outside the university organisation plays a major role in determining the strategies that the professionals pursue.

But as Minzberg continues (1983, 201), there are still degrees of freedom that allow the university organisation to adapt the basic strategies to its own needs and interests. It is a question of profiling. It would appear that the professional bureaucracy's own strategies (Minzberg 1983, 201) represent a strategic 'initiatives' that its members are able to convince it to undertake. Most of these initiatives are proposed by members of the operating core – by 'professional entrepreneurs' who might be willing to, for example establish a new degree program at university.

The rector is actively involved in the strategy process is. At an organisational level the multidisciplinarity is emphasised in this case study. The rector has to rely on his informal power, and apply it subtly, as Minzberg (1983, 202) states. In this way, the rector may achieve, over time, changes that the academic professionals would have rejected out of hand had they been proposed all at once. Persuasion is needed in professional bureaucracy.

Professional bureaucracy is unique (Minzberg 1983, 205) in the way that it provides professionals with extensive autonomy, even freeing them of the need to coordinate closely with their peers, and all the pressures and politics that entails. Thus, the university professional is attached to an organisation, yet is free to serve his or her students in his or her own way, constrained only by the establishment standards of his or her profession. Consequently, professionals in a university organisation tend to emerge as responsible and highly motivated individuals, dedicated to their teaching, research and the students.

Otherwise as Minzberg (1983, 205) continues, professional bureaucracies are not integrated entities. Rather they are collections of individuals who come together to draw upon common resources and support services, but otherwise want to be left alone. However, cooperation is needed in a transforming university organisation and changing environment. All bureaucracies are geared to stable environments (Minzberg 1983, 209), which are quite rare today. As Minzberg notes (1983, 207), "The world is a continuous intertwined system," and artificially distinguished programmes and disciplines cause unnecessary pigeonholing.

The dynamic conditions require change. Innovations are needed in contemporary society and innovations are not likely to emerge in pigeonholes. Cooperation engenders innovations. For this reason, in a transforming university organisation as a professional bureaucracy, cooperation between peers is needed. This means

creative, cooperative efforts on the part of multidisciplinary teams of professionals. Creating new programmes and innovations as Minzberg stresses (1983, 20), "requires a rearrangement of the pigeonholes – and so calls for interdisciplinary efforts".

Management by Objectives and performance management (Kallio et al. 2015) are practised in the university organisation. Therefore, objective statements and planning are needed in the university. Consequently, the importance of the strategy in the university organisation is highlighted. The rector describes the change of the university organisation in 2010. The decision makers in the rector's generation experienced a totally different kind of university organisation, when compared today:

> "The decision-makers of my generation reflected the time of their own studentship when the daily rhythm was, at least seemingly, much more leisurely than it is today. But on the other hand, behind a leisurely and sometimes a slightly scruffy appearance can lie an intellectual vitality stronger than in the current, modern hi-tech corporation-like state." (Speech 2010)

The strategy discourse in this case study concerns multidisciplinarity and cooperation. Discourse, such as "The information and global economy requires novel combinations of branch of science," (speech 1998) unfolds in the very first speech and reflects multidisciplinarity. The dynamic balance of the diversity and specialisation is emphasised.

The discourse of the strategy of multidisciplinarity is hegemonic in this case study. The discourse of multidisciplinarity is a stationary discourse and a strategic choice, although the university organisation is transforming. The discourse constructs the social practice of multidisciplinarity within the university organisation.

The concept of hegemony (Fairclough 1992, 91-92) provides a way of theorising change with respect to the development of power relations, which allows a particular focus on discursive change. The hegemonic discourse can be seen as contributing to and being shaped by wider processes of change. Hegemony is a form of management, as well as a domination across the economic, political, cultural and ideological domains of a society. In this research, constructing hegemony discursively is seen as a means of management and domination over the university organisation.

Even though everything is changing, ultimately nothing changes concerning the strategy. The strategy of multidisciplinarity is applied to the new organisation after the merger. The multidisciplinary discourse contains the discourse of crossing boundaries as in the former organisation, but the novel discourse contains the additional element of the crossing new campus boundaries in the new organisation.

The tradition in both former university organisations prior to the merger was multidisciplinary in many ways, as the rector states in 2011. Multidisciplinarity meant focusing on themes concerning health and environment in the University of Kuopio. In the University of Joensuu, the ethos was multidisciplinary:

"Both of our predecessor universities had a multidisciplinary tradition in many ways. In Kuopio it meant that the whole university focused on interdisciplinary themes in health and the environment. In Joensuu, the multidisciplinary nature was linked to the ethical values of the university, if anything, but it was more concretely presented in ensembles broader than one study subject, such as research in education, border studies, colour research or environment studies." (Speech 2011)

The themes concerning multidisciplinarity were present during the first speech as the rector in 1998 in the former university organisation in Joensuu. The balance between multidisciplinary and specialisation needs to be found in the university. Additionally, there should be even better possibilities to cross the traditional faculty barriers.

The themes concerning the optional strategic choice are present in 2012. The option of specialisation as a strategic choice is discussed by the rector in 2012. There is tension between specialisation and multidisciplinarity. There is the possibility of gaining rapid success in some research fields through strong specialisation. However, adopting a strategy of strong specialisation will lead to a totally different kind of university.

The rector uses the metaphor of a *'temple in a desert'* to portray the consequence of such a strategic choice in 2012. The strategy of strong specialisation is not likely to succeed deep in eastern Finland. Specialisation is more likely to be successful in the metropolitan area (speech 2012). Metaphor (Fairclough 1992, 194) is used in speech to structure the way of thinking and acting, and the systems of knowledge and belief, in a pervasive and fundamental way.

The discourse of the unfitting means and goals concerning the strategy of multidisciplinarity unfolds in 2013 within the transforming organisation. The rector describes that there are 'commentators' who think that multidisciplinarity and the aim of developing as a strong research university are two mismatched goals (speech 2013). The rector does not see it that way. The rector states that multiple fields mean multidisciplinarity. The aim is to fertilize different fields and to formulate cross sectional thematic entities, such as health and welfare or the forest and environment (speech 2013).

The rector states his concern for a one sided view and that the deeper profiling means abandoning being multidisciplinary. It is against the university idea, where the traditional missions of the university, research and education, are united to solve the grand challenges of human kind (speech 2013). The mastery of the grand challenges, such as climate change or geriatric issues, requires real multidisciplinary education and research (speech 2013). The major question regarding profiling concerns the question as to which of these grand challenges the University of Eastern Finland would focus on (speech 2013).

As Minzberg (1983, 209-210) stresses, creating novel programmes, research and innovation, call for interdisciplinary efforts. The reluctance of the university professionals to work cooperatively with each other translates into problems for innovation. Innovative problem solving requires inductive reasoning, which means that

the general concepts or programmes have to be inferred from particular experiences. This means divergent thinking which breaks away from old routines.

The new strategy of University of Eastern Finland is formulated. The rector states that the new strategy helps the fresh management to develop further the 'new' organisation (speech 2014). The implementation of the new strategy requires bold choices and even stronger cooperation between different units within the university, as well as strong partnerships (speech 2014).

On the other hand, in implementing the strategy, there needs to be enough space for creativity and individual decisions, as well as for constructive criticism, which are all the basic principles in a functioning of the university (speech 2014). In 'our' new strategy, focusing on the few strong and already international level research fields is emphasised. All of these fields are characterised as being multidisciplinary (speech 2014). In relation to this, the coordination of cooperation (McAllister 1995, 24) between peers in a professional bureaucracy entails developing and maintaining trust relationships.

The discourse on multidisciplinarity continues in the 'new' university organisation, where the cooperation between different disciplines is emphasised. Crossing the scientific and campus borders is needed in the transforming university organisation. The interaction between professionals from different areas and disciplines requires cooperation. As a consequence, the social and cultural capital which enables scientific breakthroughs and innovations is achieved.

6.3.4 Social and cultural capital in a university

The concepts of social and cultural capital, and trust (Savolainen 2011, 118), are commonly related. Social capital is defined (Coleman 1988, 98, 100) by its function as I discussed in Chapter 2. Social capital is not a single entity, but a variety of different entities. There are two elements in common within these entities. The entities all consist of some aspects of social structures, and they facilitate certain actions. Like other forms of capital, social capital is productive – making possible certain achievements that in its absence would not be possible. Like physical and human capital, social capital is not completely interchangeable, but may be activity specific.

The concept of social capital emerges in the data when the rector discusses the special features of the university institute (in speech 2006). By this the rector refers to immaterial rights created within the university institute by professionals in the form of knowledge production, as I discussed earlier in Chapter 5.

Social structures (Savolainen 2011, 118-119) may be tailored in a way to be able to create social and cultural capital in the organisation. Social structures in an organisation include areas such as: the networks and relationships between people in the organisation, management procedures, the legitimacy of organisational norms, adaptation of organisational norms i.e. 'the world-in-common', and information sharing, communication and interaction within the organisation. When these organisational functions are created in a trust building manner, the interaction and communication (Savolainen & Lopez-Fresno, 2012) between peo-

ple within the organisation is eased, which enhances cooperation. For example, HRM practices can be tailored in a way to build and retain trust within the organisations, as Vanhala & Ahteela (2011) found.

On the other hand, developing a novel and common administrative culture, between 'steamrolling' and 'dwelling on things', includes possibilities for a novel and common way of communicating in the 'new' university. Trust at an organisational level can be perceived (Savolainen 2011, 119) within an organisational culture and atmosphere.

The social and cultural capital that is gained at an individual level reflects the organisational level (Savolainen 2011, 119). Thus, social and cultural capital is also perceived by the students and stakeholders as a trusting atmosphere. As a consequence, trust exists in the transforming university organisation among the university community and stakeholders.

The rector is able to select conditions that are conductive to the emergence of trust. The rector can create and maintain the bases for the cooperation within the organisation and with the stakeholders by promoting the positive perceptions of a trusting state of mind, as follows:

> "Ultimately, only good and enthusiastic researchers and research groups achieve good results. The administration creates better or worse prerequisites for this by developing competitive research surroundings and career opportunities. I believe that in Joensuu and in Kuopio – in part together, in part separately – it has been possible to create such research prerequisites in a few top fields so that they are not only among the strongest research clusters in Finland, but also among the well-known research clusters on a global level." (Speech 2007)

6.4 SUMMARY

The inter-organisational trust development process between the two university organisations in eastern Finland originates from 1966 when three universities were established in Joensuu, Kuopio and Lappeenranta. The three universities share common establishment history and geographical location.

The interaction between the three universities appears in the form of a network in business education in 2001. The network between the three universities did not function well in the long run. Informal discussions concerning the cooperation between two universities, Joensuu and Kuopio, unfolded in 2005.

The calculus-based trust initiates by cognitive assessments of the joined expectations concerning gained competitiveness and organisational ability through deep inter-organisational cooperation.(Lewicki & Bunker 1996) Organisational compatibility existed between the universities in Joensuu and Kuopio with differentiated faculties and complementary disciplines. Consequently, after the negotiation process, the two university organisations merged to meet the challenges of globalisation and competitiveness as a larger unit. 'A leap of faith' (Möllering 2006) was taken in 2.5.2007.

The merger led to vulnerability inside the two organisations. There were suspicions and fears concerning future employment. There were new organisational members to get to know and work with. The routines of the former organisation were disturbed. The domain of the ability of the members in the context of the new organisation had changed. The rector played a key role in the trust development process because on the basis of the rector's speech, the university community and stakeholders formed expectations about the intentions and behaviour concerning the transforming university organisation.

In the commitment stage (of an inter-organisational cooperative relationship) learning new, novel and common procedures are needed. The members of the former two universities in this study got to know and gain knowledge about each other through interaction in their working roles. Information is generated during interaction with the other party and this forms a basis for knowledge-based trust. As common jargon and procedures are learned, familiarity increases, and the perceived predictability concerning the behaviour of the other party develops trust in the new organisation.

Identification-based trust deepens through identification-based trust building activities. There is a novel community in the 'new' organisation during the strategy building process of the 'new' university organisation. The communally formulated second strategy of the 'new' organisation after the merger serves to support identification-based trust.

I interpreted a common organisational ethos (Fairclough 1992, 143) to be found in the 'new' university organisation which assists the growth of identification-based trust. The core educational fields in both former units share a common idea of benevolence – to do good for the other i.e. student or patient. The Universities Act (558/2009) includes an element of benevolence in defining the university's mission "...to serve their country and humanity."

The formulation of a collective identity for the 'new' university organisation serves the after merger integration and building of identification-based trust. The launching of a visual image and the brand-identity formulate the organisational culture of the 'new' organisation at the beginning of 2015 and can be seen as an identification-based trust building act. The identification-based trust in the new organisation is enhanced by the novel symbols of the rector.

The rector of the former university unit in Joensuu could be interpreted as being trusted as a manager, while being nominated as the rector of the 'new' university organisation after the merger. The university reform in 2010 transformed the status and the power of the rector – the rector's executive power now originates from the decisions made by the university board. The role of the board has also been transformed. The rector is responsible to the board. The Ministry of Education steers the universities through financial, legislative and information control. The interaction in collegial networks has gained importance for the rector. It is now important to interact with other rectors and to be able to have a common voice on behalf of the universities.

Interdisciplinary efforts are required in order to accomplish the competitive advantages gained by the merger. Interaction and communication between professionals from different areas and disciplines are needed. The cooperation unfolds in the new organisation when there is mutual understanding developed to the point that each party can effectively act for the other. The actions are not stressed by the fear of opportunism or being treated unequally.

Trust exists in the organisational level within the organisational structures; management procedures, organisational practices and people, forming the social and cultural capital of the 'new' organisation. The rector as the manager in the university organisation has the authority and power to set goals, make decisions, and direct activities through communication, relationships, and information. Trust management enables the creation of social and cultural capital in the 'new' organisation to unfold as scientific breakthroughs, innovations and good education.

6.5 CONCLUSIONS

The pre-merger compatibility of the two university organisations enhances the after merger integration of the 'new' organisation and helps them become one. The rector, as a manager, plays a role in the trust development process in the 'new' organisation. As trust emerges through the rational calculation of gained benefits while developing the inter-organisational cooperative relationship, there are several perspectives to take into account in order to accomplish the competitiveness of the 'new' university organisation.

There are challenges in initiating cooperation between the university professionals in different disciplines and separate campuses. On the other hand, the success of the 'new' organisation also rests upon the multidisciplinary research and teaching efforts.

There is vulnerability within the transforming university organisation. Fears and suspicions arise along with the changes and synergies. Over the course of time, due to interaction and communication, the members of the 'new' organisation get to know each other.

Familiarity and knowledge enhance trust within the 'new' university organisation. Common organisational jargon and procedures ease the interaction in teaching and research. The organisational arrangements which are developed to reduce the risk of disappointments in the organisation build trust in the 'new' organisation. Such organisational arrangements include, for example, the human resource policy, organisational norms and practices of management, and organisational reputation.

The emergence of identification based trust is signalled by top management in the 'new' university organisation. The aim in the management is to build a new sense of community in order to reduce the campus barriers and see the university as one entity. The organisational integration and promotion of the 'cultural fit' of the 'new' organisation increases.

7 Discussion

I explore the management change discourse and trust development process in the transformation of a university organisation in this longitudinal case study. In this chapter, I summarise the conclusions of this research. In the next Chapter 8, the contribution of the study is discussed. I present the evaluation of the study and ideas for further research in Chapter 8, as well.

7.1 TRUST MANAGEMENT

As a result of the empirical study, I suggest a trust management model. Figure 20 illustrates the trust management model to create trust as social and cultural capital in a transforming university. The rector assumes the role of the senior manager in the university organisation. Trust in the rector is based on the rector's ability, integrity and benevolence perceived by the employees, students and stakeholders. As the rector is well known and has a long history in the university, there exists a role-based trust (Kramer 1999, 578) in the rector. Trust in the rector may further extend (Tan & Tan 2000, 242) to trust in the transforming university organisation. The trustworthiness of the university organisation (Gillespie & Dietz 2009, 128) exists due to factors of ability, benevolence and integrity, as presented in Figure 20.

The management change and trust development process is interpreted in the rector's annual semester opening ceremony speeches in this longitudinal case study during 1998-2014. As a consequence, I am able to present trust management. Through trust management, trust between peers (micro-level) and trust in organisational social structures (macro-level) can be created as social and cultural capital. In other words, trust exists at an organisational level within the organisational structures; management procedures, organisational practices, norms and in the relations between employees, forming the social and cultural capital of the organisation, as illustrated in Figure 20.

I propose that trust management contributes to the creation of trust as social and cultural capital in the transforming university. When organisational performance is facilitated by trust, the actions within the organisation are not stressed by the fear of being misunderstood or treated unequally.

Organisational Ability:

Competence of the research university
Management procedures;

Supportive employment practices:

HRM & development of employee competence

Trust as Social and
Cultural Capital
in Organisation

Organisational Integrity:

Organisational practices,
arrangements norms and
values; Fair, equal,
transparent, and
consistent policies

Organisational Benevolence:

Organisational actions and
culture indicating genuine care
and concern for the well-being
of employees, students and
stakeholders;

Promoting positive relations
among employees; informal
meetings, personal interaction
(in addition to (work)role-
interaction)

Collective ethos and identity

Figure 20: Trust management creating trust as social and cultural capital in a transforming university

When there is organisational trustworthiness based on organisational ability, benevolence and integrity, it functions as a resource for the creation of trust as social and cultural capital in the organisation. When these organisational functions are created in a trust building manner based on equity and efficiency the interaction between people within the organisation is eased. Trust enables cooperation.

Trust is built in the university organisation by establishing and maintaining fair and equal organisational practices. When the organisational practices, such as the management procedures, the organisational norms, information sharing, communication and interaction within the organisation are tailored in a way to build and retain trust within the organisation, the common goals defined in the strategy of the university organisation are achieved.

The co-presence of cooperation and competition often exist in relationships in a university organisation. To make progress in an academic career means that a university professional needs to gain a personal reputation as a scientist by publishing in discipline based publications. On the other hand, to be able to solve the grand challenges of the environment along with the university strategy requires the combination of scientific knowledge within multiple disciplines.

The concept of social capital emerges in the rector's discourse related to features concerning the management at the university. The knowledge production by university professionals creates immaterial rights to the knowledge they produce. Therefore, professional ownership accumulates within the university institute over the course of time. This is called the social capital of the university and it creates special features for the university management which need to be handled in a unique way.

7.2 MANAGEMENT CHANGE DISCOURSE

I analysed the management change during 1998-2014 within four management discourses; bureaucracy, professionalism, democracy and managerialism. Critical discourse analysis (Fairclough 1992) is used as a theoretical-methodological framework in this research. It is obvious, on the basis of this study that the university management changed from a bureaucracy and a collegial decision making process towards managerialism with a management emphasis reflecting a business orientation. The tentative management change from bureaucracy towards managerialism in the transforming university organisation creates the need for novel management knowledge. The trust management that I introduce in this research contributes to the contemporary university organisation, as well as to knowledge-intensive organisations in general, in order for success in organisational renewal and to gain competitiveness.

The emergence of the managerialism discourse can be seen as the rector discusses the business concept 'strategy' and the appropriateness of a strategy in the university organisation in detail in his speech in 2004. While ten years later in 2014 the re-contextualisation of the managerialism discourse can be identified when the same actor who is now the rector of the 'new' university organisation discusses the 'brand identity' and 'visual image' of the new organisation without hesitation. The 'external' discourse from business context is internalised within the transforming university organisation context.

The competitiveness theme in the managerialism discourse unfolds in a similar way. There was a critical tone in the rector's discourse towards using the rankings of universities to measure the competitiveness of the university organisation. There was a fear that universities would be tempted to develop 'Mickey Mouse' programmes because of the strong presence of marketization driven by the rankings. The value of the information gathered from ranking-lists was compared to the Eurovision Song Contests in the rector's discourse in 2005. A few years later

in 2008, as the merger of two university organisations was at hand, the discourse on rankings was taken for granted as a measure of the effectiveness of the 'new' organisation. The 'new' organisation aims at a certain position in the ranking list as a part of the strategy.

The nature of professionalism in the university brings its own special aspect to university management. The university organisation is a typical professional bureaucracy, which relies on the skills and knowledge of its operating professionals to function. The university professionals have autonomy in their work. The management emphasis in the university disturbs the autonomy of the professionals. The emphasis on management in the university brings elements such as superior-subordinate relationships into play instead of viewing the university professionals as 'constituents' (Birnbaum 1989) in the university organisation. The operationalisation of managerialism occurred when the new pay scheme was applied to universities on 1.1.2006 and all the employees in the university were identified by their supervisors.

Management was further emphasised in the university reform in Finland in 2010. Managerialism brings benefits to professionals at the university, allowing them to concentrate on their main missions of teaching and research. The administrative duties are allocated to a few full-time managers. The collegial decision making and bureaucracy of old is shifting towards managerialism.

Students remain at the core of the university community. However, globalisation transforms the nature of student recruitment. There are now universities all over the world available to applicants. Modern information technology ensures the availability of universities abroad. The contemporary generation is internationally mobile. The idea of selective student recruitment is changing towards the idea of how to attract good new students to the university and the area.

The university management is based on democracy. After the university reform, the students are still regarded as full members of the university community. Students are automatically members of the Students' Union. Students are also represented on the governing bodies of the university. University education is still free of charge in Finland after the university reform. The ideology of the freeness of the university education is sacred in Finnish debate, especially among the students. The rector implies power and enlarges the ideology of freeness discursively. He asks whether it is efficient to accomplish several university degrees for free or to study oversized degrees without limits set on the amount of credits accomplished.

The themes concerning regional policy in a university context are not mentioned since 2006 in the rector's discourse. The discourse reflected the transition (Kekäle 2001) of the ideal of social and regional equity as the core of higher education in Finland. The development of society was viewed as unpredictable, turbulent and difficult to control. The university is positioned discursively to become and active player in the local area. The university is articulated by the rector to behave more as a partner with local stakeholders, businesses and start-up entrepreneurs.

The discourse about the increasing importance of the stakeholders gains more dominance towards the end of this research period and in the 2010s. Cooperation between the university and the local region is needed. The success of the 'new' organisation, the University of Eastern Finland, is a 'fateful' (speech 2008) in eastern Finland and indicates that the university is developing in line with the rest of the country. The benefits gained by the cooperation between the university and stakeholders are reciprocal. The university students and professionals provide significant input to local business and cultural life, and the environment in general, through internships, projects and research, and as customers.

Managerialism and the management emphasis in the contemporary university means that there are common goals and integrated patterns of decision making common to the entire university organisation. Traditionally, there were personal goals or strategies for each professional in the university. This is the point where the different logics of management in the transforming university organisation clash. The logic of professionalism meets the logic of managerialism. The tension between professionalism and managerialism needs to be solved in order to accomplish the competitiveness of the new university organisation.

The discourse of multidisciplinarity as a strategic choice is interpreted as a hegemonic discourse in this study. Even though everything is changing in the case organisation in the context of the merger ultimately nothing changes concerning the strategy. The strategy of multidisciplinarity is applied to the new organisation after the merger. Hegemony assists in maintaining the status quo (Eriksson & Kovalainen 2008) in the transforming organisation. The multidisciplinary strategy discourse contains themes of crossing disciplinary boundaries, like in the former organisation, but a novel theme in this discourse contains the additional feature of crossing the new geographical campus boundaries in the new organisation: "As we all know, up until now the regional boundaries in eastern Finland have not been the easiest ones to cross." (Speech 2012)

The dynamic forces of external change create an unstable environment where bureaucracies are not the best operators. Strictly distinguished disciplines and educational programmes lead to pigeonholing, where novel research and innovations are not likely to emerge. Cooperation between peers and 'interdisciplinary efforts' (Minzberg 1983) are needed in the transforming university organisation.

Trust as a managerial element has a big role to enable a multidisciplinary strategy. Trust management (Savolainen 2011, 6) refers to the leader's ability, intellectual resources and skills to enable interaction, co-operation and productivity. Trust enhances cooperation and enables the creation of social and cultural capital. As discussed earlier in chapter 5.2, the special feature of the university organisation is that the university community has ownership in the university institute. Social and cultural capital accumulates in the course of time in the university organisation. Therefore, the management in university cannot be solved in a straightforward manner by applying public sector management methods or business management.

Trust management means (Savolainen 2011, 121-122) interaction and enabling. The manager creates possibilities for interaction and enables common ways of doing things and achieving results. As the transforming university organisation desires to be an international research university, the multicultural aspects have to be taken into consideration in the management. Parochialism is discussed by the rector in 2014.

The rector refers to the editorial column of Times Higher Education –magazine by John Gill, who wrote about the success of the Finnish education system. There is a possibility for every young person in Finland, on the basis of their own ability, to gain an education, regardless of their financial background. The question John Gill posed was "Why is this not concerning those who are not defined as 'us', those who come from outside our country". The speech in 2014 ends by stressing the international aspects of the transforming university organisation.

> "Our goal is to significantly improve the international and national reputation and attractiveness of the University of Eastern Finland. This means, among other things, increasing engagement in international education and research collaboration with our strategic partners in Finland and worldwide. Furthermore, we should not only be increasingly active in recruiting international students and faculty members, but also put more emphasis on integrating them into the university community." (Speech 2014)

7.3 THE TRUST DEVELOPMENT PROCESS

I investigated the trust development process in the transforming university organisation in this case study by combining and applying two models. I combined the model of Lewicki & Bunker (1996) with the framework presented by Ring & Van de Ven (1994) to describe the trust development process in the context of the merger of two universities. There is a common assumption shared by both models that, over the course of time, as both parties gain more information via interaction about each other's behaviour, trust between the parties increases. There is more knowledge gained via interaction, which engenders predictability and thus trust.

The trust development process in the transforming university organisation is seen as an ongoing process. Trust development emerges from calculus- and knowledge-based trust formation entailing interaction, communication, negotiation and renegotiation leading to the development of identification-based trust. The two university organisations are at a point where the two organisations are becoming one organisation.

The process perspective emphasises the ongoing nature of trust development entailing continuous interaction between the partners, with negotiation and renegotiation, supplemented by assessments based on efficiency and equity. This viewpoint captures whether this development is increasing or decreasing.

The common interest of being a competitive international research university serves to bond the two university organisations. They also share a common establishment history as a part of a regional policy in Finland. In addition, there is a geographical similarity between the two universities. The faculties of both universities are differentiated. The compatibility between the two university organisations with complementary disciplines is, however, favourable.

Research in the 'new' organisation, on the other hand, gains from the supplementary disciplines of both universities. Larger scientific entities are possible; therefore, better opportunities for top international level research exist. These factors can be interpreted as creating safety and confidence in, and positive expectations concerning the ability of the new organisation within the two university organisations. There is a basis for the initiation and development of trust in the 'new' university organisation.

The emergence of calculus-based trust in 2005 is described in the rector's discussion (interview 2014) about the annual summer meetings of rectors of higher education institutes in eastern Finland. These informal meetings enable interaction and communication between the rectors. During these meetings, there was a discourse of cooperation between the two universities; the merger, however, was not stated as an option until 2005 when both of the former universities, 'for the first time expressed aloud' that there could be mutual benefits in such an act.

The concept of the 'merger' was mentioned in the rector's speech in the opening ceremony for the first time in 2005. Forced alliances directed by outsiders are not preferable, but strategic alliances with neighbouring higher education institutes are – as far as there are obvious benefits to be achieved for all parties (speech 2005).

The commitment was made on 16.4.2008 when the boards of the former universities decided upon the operational faculty structure of the 'new' organisation. Suspicions arose and attempts to guess the intentions of the new partner existed during the 2008 strategy process during the merger, even though the merger was planned comprehensively. Parties hypothesized the ulterior and 'real' intentions of the new partner and colleagues.

Mergers require novel and common working methods. By working together, colleagues got to know each other beyond their campus barriers. With knowledge-based trust formed, e-communication could be utilised between campuses. As a result, the effectiveness of communication benefited the 'new' organisation.

In the execution stage of the merger of the two universities, there are novel and common practices which change the routines and the domains of ability of the employees. Some employees may experience seismic shifts in status; at times, they also need to learn new ways of doing things. Synergies gained by the merger imply job losses; there is a decline of trust in a 'new' university organisation.

The trust building process is enhanced by creating novel organisational rituals. There are new traditions included in the semester opening ceremony, which are intended to become permanent. The teacher of the year is announced in the ceremony; there is a novel campus festival after the ceremony with a new sound– jazz.

The rector builds trust (2011 speech) by stating that both former universities share a common history of being multidisciplinary. The rector gives examples of the cooperation across disciplines in practice.

The rector builds trust in the new organisation by promoting the ethos of the 'new' university. The aim in the management is to build a new sense of community. It is important to formulate a collective identity for the trusting parties. The launching of a visual image and the brand identity of the new organisation at the beginning of 2015 can be seen as an identification-based trust-building act which will soon be enhanced by novel symbols by the rector.

8 Summary and conclusions

8.1 SUMMARY OF THE STUDY

I discuss the management change and trust development process in a transforming university organisation in this longitudinal case study. I apply qualitative research methods in order to explore *how management change unfolds and how trust develops in a transforming university organisation.* Additionally, I investigate how management changes in the university organisation and how trust develops between the two university organisations in the context of the merger. Management change and organisational change are often intertwined.

Critical discourse analysis (Fairclough 1992) is used as the theoretical-methodological framework in this study. The rector's annual university opening ceremony speeches during 1998-2014 are used as primary data because communication, particularly the use of language, is considered to be one of the main tools used by managers to implement change (Demers 2007). On the basis of the rector's speech the university community and stakeholders form expectations about the intentions and behaviour of the transforming university organisation. Additionally, an interview with the rector in 2014 acts as further primary data in order to produce a retrospective perspective from the point of view of the rector of the research period. The secondary data consists of the histories of the two university organisations, reports and documents of the university reform in Finland and project reports of the merger process.

A process perspective is adopted in this study. Time plays an essential role in this research. The process approach enables the researcher to capture and reveal the temporal progression of the management change and organisational transformation when the change is studied applying the qualitative research method. When utilising a process view the knowledge may become actionable (Langley et al. 2013).

Management change is explored at first by identifying and categorising the logics of university management (Dearlove 1998; Räsänen 2005) in the rector's speeches during 1998-2014 by content analysis. Secondly, four management discourses, bureaucracy, professionalism, democracy and managerialism, are formulated. The themes which are spoken and discussed in the speeches within a certain management discourse reflect the management discourse in question. The change in management and trust development process is explored and interpreted within the management discourses.

The trust development process in the context of the merger of the two university organisations is analysed by combining two models, by Lewicki & Bunker (1996) and Ring & Van de Ven (1994). I discuss the action of the merger, as 'a

leap of faith' (Möllering 2006), showing that there is a willingness to be vulnerable between the two university organisations. The two universities invest trust in their relationship and take risks. I analyse the merger process as a cooperative inter-organisational relationship. The trust development process from a form of calculus-based trust towards knowledge-based trust and finally to identification-based trust between the two university organisations in a cooperative inter-organisational relationship is described by applying the model by Lewicki & Bunker (1996) to the framework presented by Ring & Van de Ven (1994).

The basis for trust to develop in the new university organisation forms because there is a common interest in being a competitive international research university in eastern Finland. This aim in common bonds the two university organisations. Additionally, the two university organisations share a similar foundation history and regional similarity. As part of the university reform in Finland, the two universities in eastern Finland merge.

The new university organisation faces two changes simultaneously. The university reform transforms the legal status of the university, employment relationships of the university personnel and university management procedures. Additionally, the merger of the two university organisations as an extreme form of change is revolutionary. These two changes cause vulnerability in the new university organisation. It is not always clear who to blame within the new organisation; the university reform or the merger.

During the commitment process of the two university organisations, as the relationship develops in the context of merger, the members of the two universities get to know and gain knowledge about each other through interaction. The old routines fade away giving space to novel routines in the 'new' organisation to formulate. Common jargon develops. Predictability increases in the new organisation, forming the basis for trust within the university community to develop further.

To reach the point where the two universities genuinely understand each other, and respect each other's perspectives and take them into account is the future challenge in this case organisation. This would be the point where both former universities effectively operate in mutual best interest.

There is a common organisational ethos (Fairclough 1992) concerning the aspect of benevolence in relation to trustworthiness. It may be assumed that a teacher, as well as a doctor, wishes the best and has an attachment to the student and patient. Organisational arrangements can be developed to reduce the risk of disappointment in the organisation. Such organisational arrangements could include, for example, the human resource policy, organisational norms and management practices, and organisational reputation. The novel symbols of the 'new' organisation and signals from top management avoiding campus barriers show the way for the two organisations to become one.

8.2 CONTRIBUTION OF THE STUDY

This study contributes to the research on trust and trust development at an organisational level. I explore management and organisational change and trust development from a business and organisation studies perspective. By applying qualitative research methods and a process approach, I am able to produce a *know-how* type of knowledge (Langley et al. 2013, 4) in this study. On the basis of qualitative case-study material and drawing on critical discourse analysis (Fairclough 1992; 2005) I illustrate how trust develops between two universities as a process.

On the basis of this research, I propose that managerialism and strategic management are feasible in a university organisation if there is trust within the organisation. The working relationships in a university are delineated simultaneously with two contradictory features: the need for cooperation between peers and competition between peers. The need for cooperation unfolds with the necessity to create new knowledge within multidisciplinary research groups and educational programmes. On the other hand, in order to accomplish progress in an academic career, there is a personal need to publish in discipline based scientific journals.

The enabling effect of trust is the key for cooperation. The trust management that I introduce in this study contributes to a contemporary university organisation, as well as to knowledge-intensive organisations in general in order to succeed in organisational renewal and to gain competitiveness. Figure 21 illustrates dichotomies between managerialism and professionalism and between the competition that often exists between peers and the cooperation that is needed in order to accomplish the competitiveness of the organisation. The trust management that I introduce and discuss in this study contributes to the resulting cooperation that is needed in a transforming organisation.
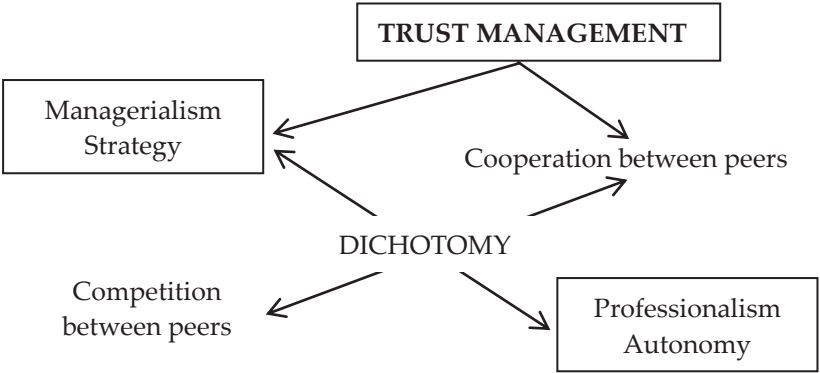

Figure 21: Trust management enabling cooperation and trust within organisation

8.2.1 Theoretical and conceptual contribution

This study contributes to the discussion and knowledge of trust at an organisational level. Research on trust in organisations has mainly focused on interpersonal level trust. Trust at an organisational level, i.e. trust in an organisation or institutional-based trust, has been less explored (Tan & Tan 2000; Bachmann 2011). This research contributes theoretically and conceptually to trust research at an organisational level because of the implications concerning how trust could be influenced and deliberately created in an organisation is presented.

In this study, I contribute theoretically by introducing a novel perspective to the trust development process in the context of the merger between two university organisations. The merger is discussed as 'a leap of faith' (Möllering 2006) reflecting vulnerability and risk.

The trust development process between the two university organisations is described based on two models. I apply the three-stage-model of trust development introduced by Lewicki & Bunker (1996). This model enables me to describe how trust develops from calculus-based trust to knowledge-based trust and towards identification-based trust over the course of time between two university organisations. It is notable that the model of Lewicki & Bunker (1996) is not a process model as such, but rather it is based on the idea of trust developing from one stage to another.

In order to emphasise the process perspective in describing the trust development process between the two university organisations I adopt the model presented by Ring & Van de Ven (1994) in combination with Lewicki & Bunker's model.

Ring & Van de Ven (1994) present a process framework for the development of cooperative inter-organisational relationships. In line with Lewicki & Bunker's (1996) model it is argued that trust emerges as a consequence of interactions over time and builds up gradually over the course of time through a negotiation-commitment-execution process. Trust is only one of the many elements in the framework by Ring & Van de Ven (Möllering 2006, 91). In this study, I combine Lewicki & Bunker's (1996) trust development approach with Ring & Van de Ven's (1994) framework, which brings the element of trust more into focus.

Drawing on my qualitative case-study material, I am able to illustrate how trust develops in the transforming university organisation between two universities as a process. The historical and geographical similarities of the two university organisations function as fruitful preconditions to the emergence of calculus-based trust during the negotiation process concerning the inter-organisational relationship.

The inter-organisational cooperation between the two universities deepens through repeated interactions. the formation of knowledge-based trust is possible as a consequence of the interactions between the two universities over the course of time. In this process there are opportunities to gain further knowledge about the other partner and this eases suspicions and vulnerability and the fear of opportunistic behaviour. Familiarity enhances trust. The predictability of the

behaviour of the other partner increases in line with the increasing amount of knowledge. In the commitment stage of the relationship the reliance on the other party is strengthened on the basis of knowledge. The decision concerning the merger of two universities is made through a formal legal contract. 'A leap of faith' has been taken.

The process perspective involves elements of tension and contradiction that drive development continuously. In the execution stage of the merger of the two universities, there are novel and common practices which break routines. The domain of ability of the employees changes and learning is needed. Synergies gained by the merger means job losses. There is a trust decline in the 'new' university organisation.

The process view of trust that I present in this study emphasises the ongoing element of negotiation and renegotiation with the continuous assessment of efficiency and equity in line with Ring & Van de Ven (1994). The success of the 'new' university organisation is built on the reflexive process of developing trust and common expectations over time. There is a need to complete the negotiation-commitment-execution cycle continuously in the 'new' university. Over the course of time, two universities are continuously becoming one. There is a bonding between the two universities. Through a series of role interactions, the parties also become more familiar with one another as persons. Thus, they may increasingly begin to rely on interpersonal, as opposed to inter-(working) role, relationships. There is a basis for identification-based trust to grow.

8.2.2 Methodological contribution

This study contributes to qualitative empirical trust research from a process perspective which is less explored (Möllering, Bachmann & Lee 2004; Fulmer & Gelfand 2012; Savolainen & Ikonen, 2016). Additionally, this study contributes methodologically to organisation and management knowledge by using longitudinal data with a qualitative research approach. Therefore, the centrality of time is recognised for producing the findings over time. Thus, this thesis study makes a contribution by applying a process view to exploring trust development over time in a contextual, longitudinal case study. As trust is viewed as a dynamic phenomenon, the longitudinal data reveals how characters of trust appear along the 'stages' of the emerging process (early, developing and "mature") in the interactions and relationships in the process of the merger.

Moreover, the process perspective concerning trust development in a transforming organisation is deepened by combining the framework of Ring & Van de Ven (1994) with the three-stage-model by Lewicki & Bunker (1996). The process perspective appears progressive in nature including the idea of linear-type development found in Lewicki & Bunker's (1996) model. By applying the framework of Ring & Van de Ven (1994) the process perspective in the trust development description is emphasised. The ongoing nature of trust development, entailing continuous interaction between partners with negotiation and renegotiation, emphasises the process perspective.

Further, the process view enables the knowledge produced in this study to become actionable. By analysing and capturing the temporal flow of the management change and trust development process in a transforming university organisation, answers useful to practitioners can be found. Insights and ideas on how trust can be influenced and deliberately created and shaped (i.e. how trust can be managed) to make organisational renewal work are presented in this study.

Methodologically, the critical discourse analysis (CDA) enabled me to analyse speeches through a three-dimensional conception of discourse. Accordingly, I studied textual features of speeches (i.e. wordings, vocabulary) in a micro-level analysis. I examined discursive practices of the text production, distribution and consumption. I analyzed the social practice around the texts in a situational (university semester opening ceremony) and institutional context (macro-level analysis: university in local, national, global context). By applying critical discourse analysis, I was able to benefit the uniqueness of speeches as research material consisting 17 of years and one actor to a more full extent.

Adapting a CDA-based analysis helped me to become more conscious of how the external change forces and interests shaped the production and consumption of the rector's speeches as texts. The speeches come out of nothing, but are linked to other texts, ideologies and hegemonies. To link the speeches with other texts and revealing the intertextuality in the speeches enabled me to comprehend discursive acts. There are ideologies identified in this study such as globalisation, internationalisation, marketization and managerialism that influence the discourse.

The analysis of texts elucidated how the texts as discourse affect identities, social relations, knowledge and beliefs. In a sense, CDA enabled me to make the abstract element of trust visible. I was able to reveal the role of discourse in processes of management and organisational change involving trust development. It became possible to draw conclusions on introducing trust management in a merger.

8.3 IMPLICATIONS FOR MANAGEMENT OF KNOWLEDGE-INTENSIVE ORGANISATIONS

In this study, I present the perspectives of organisation and management studies while exploring management change in a university. This study raises implications that are of interest to researchers and practitioners alike.

This study contributes to university management research, which has been mainly studied viewing a university as a public sector organisation. Therefore, when university management is studied, administration and governance perspectives are applied. When the legal status of the university organisation changed due to university reforms in Finland in 2010, a novel perspective and knowledge on university management is needed. I present trust management in this study.

This study contributes to the management of knowledge-intensive organisations in general. Due to university reform, the university organisation is similar to other knowledge-intensive organisations facing competition from different directions. There are global and local competitors who produce services that the students as customers may use. There is competition for good employees, therefore the university organisation should also be attractive as a good employer. Resources are gathered from different sources, which means that the effectiveness and competitiveness of the organisation is emphasized.

I illustrate how management discourse tentatively changes in a university organisation from bureaucracy towards managerialism in this study. Trust management introduced in this research contributes to a contemporary university organisation, as well as to knowledge-intensive organisations in general, in order to succeed in organisational renewal and to gain competitiveness.

Cooperation is emphasised in contemporary organisations. The enabling effect of trust might be the key for cooperation. Trust is built in an organisation by establishing and maintaining fair and equal organisational practices. When the organisational practices, such as the management procedures, organisational norms, information sharing, communication and interaction within the organisation are tailored in a way to build and retain trust within the organisation, it contributes to achieving the common goals defined in the strategy of the organisation.

8.4 IDEAS FOR FURTHER RESEARCH

I suggest in this study that the management discourse in universities is changing tentatively from an emphasis on collegial decision making and bureaucracy towards managerialism with a management emphasis. Managerialism was operationalised further in the university reform in 2010 in Finland. It would be fruitful to investigate further how management procedures are applied in universities in order to stimulate cooperation in the university community and with stakeholders.

The inter-organisational cooperation between two university organisations after the execution stage in the context of the merger was at its' initiation stage when I conduct this research. The 'new' university organisation may be interpreted as being "a seed and shell that contains all the opportunities (potential) for growth" (Savolainen & Ikonen 2016). There is a vision for the identification-based trust to develop. It would be fruitful to investigate how the two university organisations were able to be influenced and shaped, becoming one in the course of time.

I discuss trust as social capital and further as an emerging cultural asset in this study. The concept of social capital is worth further investigation in relation to trust in the organisation or in relation to institutional-based trust. There are social structures that could be identified by their functions as resources for the creation of social and cultural capital (Savolainen 2011). The social capital that is

gained at an individual level reflects to the organisational level in its processes and culture such as in human resource management. Trust as social and cultural capital may help form an organisational culture and atmosphere with less suspicion and misunderstanding. Intellectual capital, including social capital and human capital, would be an interesting field to study further from a trust management perspective.

Although the relationship between the organisation and stakeholders within the university context would be fruitful to study further, the relationships within the organisation, as intellectual capital, are also worth further studies. The question of how trust exists at the organisational level within the organisational structures; management procedures, organisational practices and people forming the vitality and competitiveness in the organisation is worth further study. An interesting feature to examine would be to reveal the process of trust development as a form of intellectual capital in an organisation, for example following the growing plant metaphor; seed, sprout and the growing plant (Savolainen & Ikonen 2016).

8.5 LIMITATION AND EVALUATION OF THE STUDY

Finally, I would like to reflect on the limitations and evaluation of my research. This research is conducted as a qualitative intensive single-case study in order to bring as much understanding and interpretation as possible of one case. The social reality is constructed subjectively and is based upon perceptions and experiences which might appear differently for each person. The social reality is context specific and might change over the course of time (Berger & Luckmann 1972). I will reflect on the trustworthiness (Eriksson & Kovalainen 2008, 294) of my research next.

As a researcher, I am a part of the organisation under study. This needs to be noted, as my involvement in the organisation might unintentionally affect this study. The case organisation is familiar to me, since I was a Master's degree student in economics in the late 1980s, a university teacher in economics in the 1990s, and I currently act as an administrator and doctoral student in business and management. During these years, there has been a personal attachment and growing commitment towards the case organisation. To perform as an insider within the case organisation and simultaneously examine it as an outsider might result in some limitations to the study. Yet, it might also bring insights and novel perspectives to this research. As I have a deep tacit understanding and engagement with the case organisation, it may enhance in the interpretive case study.

I have done my best to avoid bias while doing this research. While being aware of my role as a researcher and my position in the case organisation, I have constantly reflected on any potential bias during the research process. There have been absences for me from the case organisation and periods where I was involved in teaching in other educational organisations and working in a business organisation, which allow multiple perspectives of the case organisation.

I think my ability to understand the field and the context of this case study assists the credibility (Eriksson & Kovalainen 2008, 294) of the research result. The connections between my research and previous results provided in the field are reported in this study.

I used the speeches of the rector of the university during 1998-2014 and an interview with the rector in November 2014 as primary research material. When I had analysed the research material, I sent the preliminary research report to two actors concerning this study (the rector and an administrator) for comments. This assists the conformability (Eriksson & Kovalainen 2008, 294) of my study. Conformability ensures that linking the findings to the data is reported in a way that can be understood by others and are not just my imagination.

Major corrections were not needed. The facts, such as university legislation, dates and faculty structures concerning the research material were confirmed. The research process proceeded with an analysis of the empirical data and theory with the simultaneous composition and elaboration of the research report. The illustrative quotes in the data are presented in order to provide the reader with the opportunity to evaluate and confirm my interpretations.

I have produced one description and interpretation of the management change and trust development process in the transforming university organisation in this study. I wrote my research report aiming to indicate the audit trail connections between theory, data and analysis process. I have aimed to document the data gathering process in a way that it would be traceable for the reader. Similarly, I wrote the data analysis process to illuminate the interpretation process. The ultimate assessment of the scientific and resulted practical value concerning this research and written report - I leave for a reader to make.

8.6 CONCLUDING REMARKS

This longitudinal case study provides a perspective on an organisational transformation process in a university organisation in Finland. Simultaneously, the closely integrated process of the Finnish university reform is discussed. The public sector's steering of universities has diminished and has been replaced by the autonomy of universities and a management emphasis.

The need for innovation dominates the contemporary higher education policy. This causes confusion within the university field and is often interpreted as the domination of marketization over scientific values. The university has not been seen as a business enterprise aiming to maximize profits. But a university may perform efficiently when accomplishing its main missions of teaching and research. The main missions of a university may be directed in a way to solve the great challenges of the environment.

The great challenges presented by the environment do not follow disciplinary boundaries. Cooperation across scientific fields and boundaries is needed. Autonomy, on the other hand, should be respected and honoured. I propose in

this study that trust in the university organisation needs to be managed. There are organisational arrangements that can be generated in a way to provide conditions for trust to develop in the organisation. When trust between actors exists in an organisation, opportunistic behaviour and disappointments are likely to diminish or at least remain tolerable. As a consequence, multidisciplinary research and education activities may be realised.

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Appendices

APPENDIX 1. DATA; SPEECHES AS TEXTS

Year	Title of the speech	Number of Words	Pages
1998	JOENSUUN YLIOPISTON PAIKKA INFORMAATIO- JA GLO-BAALITALOUDESSA (The Position of University of Joensuu in Information and Global Economy)	1 631	6
1999	KUUMA SYKSY (Hot Autumn)	1 901	7
2000	SUOMALAINEN YLIOPISTOMALLI JA RAJATTOMAN KORKEA-KOULUTUKSEN HAASTEET (The Finnish University Model and the Challenges of Borderless Higher Education)	1 933	6
2001	ALUEELLINEN YLIOPISTOPOLITIIKKA – YLIMITOITETTUJA ODOTUKSIA JA NIUKKOJA VÄLINEITÄ (The Regional University Politics – Oversized Expectations and Scarce Resources)	2 000	7
2002	KANSALLINEN YLIOPISTOLAITOS TIENHAARASSA (National University Institute in its Crossroads)	1 816	7
2003	YLIOPISTO ON ENEMMÄN KUIN OPPILAITOS (University is more than A School)	1 814	7
2004	JOENSUUN YLIOPISTO KANSAINVÄLISTYMISEN JA ALUEEL-LISTUMISEN RISTIAALLOKOSSA (The University of Joensuu between Internationalisation and Regionalisation)	1 779	9
2005	KUMOUS VAI REFORMI (Revolution of Reform)	1 975	5
2006	RAKENTEELLISEN KEHITTÄMISEN SYVÄRAKENTEITA (The Metastructures of Structural Development)	1 996	9
2007	LIITTOYLIOPISTON HAASTEET (The Challenges of a Federal University)	2 072	7
2008	HUOMISEN YLIOPISTO (The University of Tomorrow)	1 671	6
2009	40 VUOTTA JOENSUUN YLIOPISTOA: MUUTOKSIA JA JATKU-MOITA (Forty Years of the University of Joensuu: Changes and Continuities)	1 485	5
2010	YHDESSÄ ETEENPÄIN (Together Forward)	1 477	6
2011	SIVISTYSYLIOPISTO AJASSA (The Civilisation University Today)	2 116	6
2012	SUOMEN LAAJA-ALAISIN TIEDEYLIOPISTO ITÄ-SUOMESSA (The most Multi-Field University in Eastern Finland)	1 506	5

2013	KOULUTUS JA OPISKELIJAT OVAT OLENNAINEN OSA TIEDE-YLIOPISTOA (Education and Students are an Essintial Part of a Science University)	1 808	5
2014	UUDET ASKELMERKIT (New Steps)	1 681	7
TOTAL		30 661	111

APPENDIX 2. DATA; FREQUENCY OF STRATEGY AND MULTIDISCIPLINARITY WORDS IN TEXTS

Year	Title of the speech	Strategy	Multidisc
1998	JOENSUUN YLIOPISTON PAIKKA INFORMAATIO- JA GLOBAALITALOUDESSA	2	4
1999	KUUMA SYKSY	1	0
2000	SUOMALAINEN YLIOPISTOMALLI JA RAJATTOMAN KORKEAKOULUTUKSEN HAASTEET	1	1
2001	ALUEELLINEN YLIOPISTOPOLITIIKKA – YLIMITOITETTUJA ODOTUKSIA JA NIUKKOJA VÄLINEITÄ	1	2
2002	KANSALLINEN YLIOPISTOLAITOS TIENHAARASSA	1	1
2003	YLIOPISTO ON ENEMMÄN KUIN OPPILAITOS	2	1
2004	JOENSUUN YLIOPISTO KANSAINVÄLISTYMISEN JA ALUEELLISTUMISEN RISTIAALLOKOSSA	8	2
2005	KUMOUS VAI REFORMI	1	1
2006	RAKENTEELLISEN KEHITTÄMISEN SYVÄRAKENTEITA	1	8
2007	LIITTOYLIOPISTON HAASTEET	2	2
2008	HUOMISEN YLIOPISTO	1	1
2009	40 VUOTTA JOENSUUN YLIOPISTOA: MUUTOKSIA JA JATKUMOITA	0	1
2010	YHDESSÄ ETEENPÄIN	1	1
2011	SIVISTYSYLIOPISTO AJASSA	1	6
2012	SUOMEN LAAJA-ALAISIN TIEDEYLIOPISTO ITÄ-SUOMESSA	8	5
2013	KOULUTUS JA OPISKELIJAT OVAT OLENNAINEN OSA TIEDEYLIOPISTOA	3	11
2014	UUDET ASKELMERKIT	13	3
TOTAL		46/ 30 661	50/ 30 661

APPENDIX 3.DATA; REFERENCES IN SPEECH

Year	Title of the speech	Book Article	News Papers Statistics Reports and Plans
1998	JOENSUUN YLIOPIS-TON PAIKKA INFOR-MAATIO- JA GLOBAALITALOU-DESSA	Välimäki, Jussi toim. (1997), Korkeakoulutus kolmiossa. Castells, Manuel (1996-1998), The Information Age. Massey Doreen et al.(1992), High-Tech Fantasies. Clark Burton C. (1998), Creating Entrepreneurial Universities. The University of Twente (1998), The Role of the University in Regional Development. Ahlmann, Erik (1925), Teoria ja Todellisuus.	Regional statistics (GNP/inhabitant) year 1995 Der Spiegel 8/1998; Jurgen Rutgers; Humboldts Universität ist tot. Joensuun yliopiston toiminta- ja taloussuunnitelma.
1999	KUUMA SYKSY	Contemporary Sociology 36:2 (1999).	Opetusministeriö (1999), Koulutuksen ja tutkimuksen kehittämissuunnitelma vuosille 1999-2004. Opetusministeriö (1999), Opetusministeriön ehdotus yliopistojen toimintamenobudjetin soveltamiseksi tulossopimuskaudella 2001-2003.
2000	SUOMALAINEN YLI-OPISTOMALLI JA RAJATTOMAN KOR-KEAKOULUTUKSEN HAASTEET	Education at a Glance (2000). OECD. Clark Burton C. (1998), Creating Entrepreneurial Universities. The Business of Borderless Education: UK Perspectives (2000), CVCP (Yhdistyneiden kansakuntien rehtorienneuvosto) & HEFCE (Englannin korkea-asteen koulutuksen rahoitusneuvosto)	Hallitusohjelma, Paavo Lipposen II Hallitus. Multiversity-Magazine Spring/2000, IBM; John J. Young The Economist, December 4th 1999. Korkeakoulujen arviointineuvoston opintomatka Yhdysvaltoihin, Raportti 1999/2000. Joensuun yliopiston strategia 2000-2006.
2001	ALUEELLINEN YLI-OPISTOPOLITIIKKA – YLIMITOITETTUJA ODOTUKSIA JA NIUKKOJA VÄLI-NEITÄ	Tampereen yliopisto (2001), tutkimus kaupunkikehityksestä.	Helsingin Sanomat (pääkirjoitus) 6.8.2001. Helsingin Sanomat (haastattelu: Karl-Erik Michelsen) 6.5.2001. Antti Paasivirta, Työministeriö. Joensuun yliopiston opiskelijapalvelut: Joensuun yliopistosta valmistuneiden sijoittuminen 1998-99. Talouselämä(23/2001), Paavo Lipponen.

2002	KANSALLINEN YLI-OPISTOLAITOS TIEN-HAARASSA	Clark Burton C. (1998), Creating Entrepreneurial Universities.	Prahan kommunikea (2001). Bolognan prosessi.European Union.
			Frans van Vught,(Puheenjohtaja European Consortium of Inno-vative Universities), Twenten yliopiston rehtori.
			Talouselämä (27/2002). MBA ohjelmat.
			Helsingin Sanomat 31.1.2002.
			Helsingin Sanomat (pääkirjoi-tus) 2.9.2002
			Taloustutkimus Oy (ke-vät/2002). Yliopistojen imago-tutkimus.
2003	YLIOPISTO ON ENEMMÄN KUIN OPPILAITOS	Steve Fuller; researcher of science.	Marja Häyrynen-Alestalo (pu-heenvuoro 11/2002), Suomen tieteen historia –julkaisuun liittyvä seminaari.
			Euroopan komission tiedonanto (2003), Yliopistojen rooli tieto-jen ja taitojen Euroopassa.
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			Joensuun yliopiston strategia 2000-2006.
2004	JOENSUUN YLIOPIS-TO KANSAINVÄLIS-TYMISEN JA ALUEELLISTUMISEN RISTIAALLOKOSSA		Joensuun yliopiston strategia 2007-2015.
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Richard Yelland, OECD:n IMHE-ohjelman johtaja (yliopistojen institutionaaliset haasteet). |

2006	RAKENTEELLISEN KEHITTÄMISEN SYVÄRAKENTEITA		Valtioneuvoston periaatepäätös julkisen tutkimusjärjestelmän rakenteellisesta kehittämisestä (4/2005).
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2007	LIITTOYLIOPISTON HAASTEET		Opetusministeriö (2007), Koulutuksen ja tutkimuksen kehittämissuunnitelma 2007-2012.
			Thomsonin viitetietokanta.
			KOTA-tietokanta.
2008	HUOMISEN YLIOPISTO		Raportti Universities UK (7/2007).
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2009	40 VUOTTA JOEN-SUUN YLIOPISTOA: MUUTOKSIA JA JATKUMOITA		Kolmen Itä-Suomen korkea-koulun perustamispäätös (kevät/1966). Va. Rehtori Veli Nurmen puhe (17.9.1969). Rehtori Heikki Kirkisen puhe (1970-l:n lopulla). Rehtori Kyösti Pulliaisen puhe (syksy 1989). Rehtori Paavo Pelkosen puhe (syksy 1994).
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2011	SIVISTYSYLIOPISTO AJASSA	Martha Nussbaum (2010), Not For Profit: Why Democracy Needs the Humanities. Ilkka Niiniluoto (2011), Dynaaminen sivistysyliopisto.	Matti Viren, Yhteiskuntapolitiikka 3/2011.
2012	SUOMEN LAAJA-ALAISIN TIEDEYLI-OPISTO ITÄ-SUOMESSA		Vierailu (8/2012) Chileen suomalaisen yliopistodelegaation mukana.
2013	KOULUTUS JA OPIS-KELIJAT OVAT OLEN-NAINEN OSA TIEDEYLIOPIS-TOA	Malcolm Tight, Higher Education Policy 3/2013. Antti Hautamäki & Pirjo Ståhle (2012), Ristiriitainen tiedepolitiikkamme.	Helsingin yliopiston kansleri Kari Raivio (kevät/2008). Euroopan Komission työryhmän (6/2013), Mary McAleesen johtama: Opetetaan professorit opettamaan. Raportin vastaanottanut komissaari Vassiliou.
2014	UUDET ASKEL-MERKIT	John Gill (6/2014), Times Higher Education.	Itä-Suomen yliopiston strategia 2015-2020.

APPENDIX 4. INTERVIEW

The interview with the rector 19.11.2014 at 14:15 – 16 at Rector's office, Aurora II-building, 3dr floor, Joensuu campus, University of Eastern Finland

Title: From governance towards managerialism – trust development process in transforming university organisation

I Organisational Change and University Management

1. What kind of change was it to start as a rector; how did you see and feel the shift from the professorship to rectorship in 1998?
2. How was the first period of your rectorship; what special things you remember during the period 1998-2002?
3. On what basis and how did the merger decision emerge in 2003-2007?
4. What kind of process, from your perspective, were the reform of the university organisation and the merger of two university organisations?
5. What challenges were there in the merger of University of Joensuu and University of Kuopio?
6. What challenges are there for the future?
7. What procedures are important at the final stage of the merger process once the situation and changes are stabilised?

II the University annual semester opening ceremony speeches of the rector

8. How do you prepare the annual semester opening ceremony speeches?
9. Where do you get the impulses for the content of the speeches? (What are the channels through which you inject issues into speeches?)
10. How do you see / hear / sense the impact of the speech?
11. What special issues that the speech has raised in conversation do you remember?
12. What channels do you receive feedback on concerning the speeches, especially concerning the feedback, reactions and thoughts of the university organisation and the staff?
13. To whom are you directing the speech (who are you thinking of when you prepare the speech?)
14. How do the speeches come about (preparation process / themes / content)?
15. What feelings do the speeches raise in (you) the rector?

III The rector as a manager in university

16. What kinds of key moments of management have you experienced during your career; when has there been a clear need to manage?
17. How well did you know the University of Kuopio and the people there?
18. What kinds of challenges have you faced (experienced) concerning communication and interaction during the merger process with the members of University of Kuopio and similarly with the University of Joensuu (negotiation and communication)?
19. Where does the power of the university rector originate from, what are sources of the power and where and how does the power arise?
20. How has the decision making of the university rector been transformed after the university reform in 2010?
21. How has the role of the university board changed in university management?
22. How has the role of ministry of education changed in university management or governance (during your rectorship)?

APPENDIX 5. DATA; FREQUENCY OF REGIONAL POLICY AND REGION-RELATED WORDS IN TEXTS

Year	Title of the speech	Refional Policy	Region-related
1998	JOENSUUN YLIOPISTON PAIKKA INFORMAATIO- JA GLO-BAALITALOUDESSA	9	26
1999	KUUMA SYKSY	4	9
2000	SUOMALAINEN YLIOPISTOMALLI JA RAJATTOMAN KOR-KEAKOULUTUKSEN HAASTEET	0	8
2001	ALUEELLINEN YLIOPISTOPOLITIIKKA – YLIMITOITETTUJA ODOTUKSIA JA NIUKKOJA VÄLINEITÄ	16	52
2002	KANSALLINEN YLIOPISTOLAITOS TIENHAARASSA	0	13
2003	YLIOPISTO ON ENEMMÄN KUIN OPPILAITOS	0	17
2004	JOENSUUN YLIOPISTO KANSAINVÄLISTYMISEN JA ALU-EELLISTUMISEN RISTIAALLOKOSSA	1	23
2005	KUMOUS VAI REFORMI	3	5
2006	RAKENTEELLISEN KEHITTÄMISEN SYVÄRAKENTEITA	0	4
2007	LIITTOYLIOPISTON HAASTEET	0	7
2008	HUOMISEN YLIOPISTO	1	7
2009	40 VUOTTA JOENSUUN YLIOPISTOA: MUUTOKSIA JA JATKUMOITA	0	0
2010	YHDESSÄ ETEENPÄIN	0	7
2011	SIVISTYSYLIOPISTO AJASSA	0	7
2012	SUOMEN LAAJA-ALAISIN TIEDEYLIOPISTO ITÄ-SUOMES-SA	0	21
2013	KOULUTUS JA OPISKELIJAT OVAT OLENNAINEN OSA TIEDEYLIOPISTOA	0	1
2014	UUDET ASKELMERKIT	0	11
TOTAL		34/ 30 661	217/ 30 661

SARI-JOHANNA KARHAPÄÄ

This study examines management change and trust development process in the context of a merger between the two universities. Critical discourse analysis is applied to the qualitative longitudinal data consisting of the Rector's speeches during 1998-2014. The analysis shows that trust is built in a changing university organization by establishing fair and equal organizational practices, e.g. within human resource management, and by facilitating interpersonal interaction and constructive communication.

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