Religion; the Forerunner of Organisational Culture: The Case of Quakerism in the Employment/Industrial Relations Practice of John and George Cadbury

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Abstract
Influence of national culture on organisational culture dominates the contemporary literature on corporate culture. There also existed many studies as regards the relationship between cultural values and economic behaviour starting from Weber’s (1905) Protestant Ethic and the Spirit of Capitalism to Wiener’s (1981) English Culture and the Decline of the Industrial Spirit 1850-1980; but not many writings as regards the role of religion in the development of organisational culture or other management practices using Quakerism & John and George Cadbury as the case. This study will therefore focus on the influence of religion on the development of an organisational culture; this is because religion or the absence of it may determine the behaviours of an individual. This is the case of John and George Cadbury who were Quakers and established in 1824 what is today know as Cadbury Worldwide. John and George Cadbury’s style of management or their management practices (especially their employee relations practices) were different from those of other employers of their days. This was why they were referred to as ‘good employers’. This study employing historical and descriptive research methodology concludes that what made them different from other employers of their time was the fact that they were Quakers.

Keywords: Quakerism, Organisational culture, employee relations philosophy, John Cadbury and George Cadbury

Introduction
The emphasis on the role of national culture on the development of organisational culture dominates the contemporary management and management practices literature (John, 2006; Hofstede, 1980, 2001; Chatman and Jehn, 1994; Gerhart, 2008; Gerhart and Fang, 2005). This is understandable because the trend now is on globalisation and internalisation of enterprises (Fraser and Oppenheim, 1997); therefore enterprises will move from one cultural area to another cultural area. Frost (2000:370) states that ‘

There has been a vast increase in the volume of capital crossing international boundaries, while rapid improvements in communications technology are changing the nature of the relationship between organisations and the nation-state’.

This is to state that multinational companies are the answer to the proposed and desired global increase in economic development (Dunning and Lundan, 2008; Navaretti et al, 2004). Unfortunately, a lot of scholars have concluded that for employment creation and sustained increase in the economic development of the developing countries of the World, SME’s are the answer (Hornby and Kurato, 1990; Katz et al, 2000; Ivy, 1997; Tanskey and Heneman, 2004; Harney and Dundon, 2006; Nguyen and Bryant, 2004; Lee and Rondinelli, 1993; Kayanula and Quartey, 2000). If this is true the management practices of the owners of the SME’s needed to be taken into consideration; moreover the SME’s of today might become the multinational companies of tomorrow.

Cultured Explored
Culture has been variously defined as the way of life of a group of people (Akporherhe, 2002), Taylor (1921) cited in Olurode (1994) suggests that culture is that whole, which includes knowledge, belief, art, moral, law, custom and other capabilities and habits acquired by man as a member of the society. Geertz (1973a) suggests that culture is the entire way of life of a people, including their technology and material artefacts.
Rugman & Hodgetts (2000) quoting Joynt and Warner (1996) admit that culture is the acquired knowledge that people use to interpret experience and to generate social behaviour, they further suggest that culture is shared by members of a community, organisation or a group and that through culture, values and attitudes are formed which invariably shape individuals as well as group behaviour. Culture to them is learned through education, socialisation and experience and it is passed from one generation to another; therefore it can be said to be enduring.

This is not to overlook the fact that cultures do undergo constant change as people are more or else forced to adjust to new environment and new ways of doing things (Barney, 1968; Steward, 1972). Swindler (1986) concludes that culture consists of such figurative vehicles of meaning, including beliefs, ritual practices, art form and ceremonies, as well as informal cultural practices such as language, gossip, stories and ritual daily life. Becker (1986:13) acknowledges that culture ‘explains how people act in concert when they do share understanding’

Organisational Culture

Organisational or corporate culture has attracted much attention in both management and management practices literature (Deal and Kennedy, 1988; Denison, 1990; Peters and Waterman, 1982; Lau and Ngo, 1996; Mintzberg, 1989). It has also been variously defined as the history of an organisation or what allows employees to understand their workplace, it also makes the employees to make sense of work activities and to relate them to daily events (Porter, 1990). Williams et al (1993) define it as the beliefs, attitudes and values that are commonly-held and that are relatively stable within an organisation. Hall (1995:25) sees it simply as ‘the way we do things around here’. This is ‘embodied in symbols, rituals and hero’s which are reflected in organisations communication, manners, dress codes, social rules and norms, and role models’ (Mwaura et al, 1998). The functions of organisational culture include passing on of knowledge, handling strong emotions, uniting and providing meanings (Randlesome and Brierly, 1990), it also forms one of the basis for competitive advantage (Deal and Kennedy, 1988); it helps in determining the effectiveness of a company (Denison, 1990); it is important in developing high performance amongst staff (O’ Reilly, 1989) and also helps in increase loyalty of staff to the organisation (Porter, 1990).

Weber (1958:35) wonders why most business leaders as well as owners of capital, skilled workers and ‘the higher technically and commercially trained personnel of modern enterprises are overwhelmingly Protestant’; the reason to him were because of their religious afflictions. He (1958:36) asks ‘why were the districts of highest economic development at the same time particularly favourable to a revolution in the Church? He (1958:36) perceives that most of the old empires that were economically developed ‘went over to Protestantism’. He (1958:36-37) concludes that religion either Catholicism or Reformation Protestantism aims to control ‘the whole conduct which, penetrating to all departments of private and public life’ of people.

Quakerism Explored

Fry (1908:5) perceives Early Quakerism as ‘the history of a movement and not of a man’ the man in question was George Fox who was described as ‘The man with the leather’; he was usually referred to as the ‘first Quaker’. To George Fox, religion ‘was purely spiritual’, he therefore gave some points in his massage which included the fact that ‘God is no respecter of persons, rich and poor may alike approach Him through Christ. The aid of, or intervention of a priest is not needed for this. No priestly caste is required, not forms nor ceremonies, since worship is a thing of the heart, and must be in Spirit and in Truth’ (Fry, 1908:26). This particular message must have been abided by John and George Cadbury and must have influenced employment relations practices.

Conceptual background: The employment relationship

Employment relationship refers to the relationships that exist between employers and the employees in the working environment, these relationships may be formal as in contracts of employment and procedural agreements (Kelly, 1998). The relationships could also be informal as in psychological contract, which presumes ‘certain assumptions and expectations about what managers and employers have to offer and are willing to deliver’ (Armstrong, 2005; 287). Employees are a significant part of the employment relationship but they are not to be seen as commodities or just another factor of production as it is assumed under the traditional orthodox theories of supply and demand (Budd and Bhave, 2006; Kaufman 1993; Webbs 1897). Budd et al. (2004: 3) argue that the starting point for the treatment of the employment relationship should be the objectives of the relationship and that in neoclassical economics the objective was reduced to ‘allocative efficiency’.

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Budd et al., (2004:3) claim that, the unseen hands of competitive markets will point ‘self-interested individuals towards efficient outcomes in which aggregate welfare is maximised and scarce resources are used to their most productive ends’. They conclude that the key objective of the employment relationship is therefore efficiency.

There are three key actors and stakeholders within a typical modern employment relationship; they are employees (typically represented by trade unions), employers (often represented by employers’ associations on an industrial, regional or national basis) and the State through mediation, as a public sector employer and through labour legislations (Dunlop, 1993; Ciulla, 2000, Kelloway et al., 2004). According to Kochan and Katz (1988:6) employees have diverse interests and four categories of employee interests are identified by Budd and Bhave (2006:5), namely: (1) survival and income, (2) equity and voice, (3) fulfilment and social identity and (4) power and social control. The second primary actor in the modern employment relationship is the employer and the interests are: profit maximisation, stakeholder/shareholder, executive and manager (Budd and Bhave, 2006).

The third major actor in the employment relationship is the State with five major roles which include regulative roles; passing of laws regulating workers, workers’ representatives, and companies. Employers’ role; the state is also an employer of public sector organisations. Facilitative role; the state establishes social norms and provides support services for the employment relationship. The structural role consists of economic policies that determine the business environment. Finally, the constitutive role; the State determines how the employment relations is constituted, this is achieved by the type of economic system embraced by the State (for example the market-based capitalist economy) (Godard, 2005; Glie, 1998). According to Budd and Bhave (2006), the interest of the State also includes promotion of freedom and rule of law, promotion of equitable outcomes and ‘an objective to support domination of the State’.

Quakerism as a Christian religious sect: the history background

The authority of the Church of Rome was challenged in 1520 by Martin Luther, a monk from Erfurt, Germany, which later led to what was referred to as the Protestant Reformation (Fry, 1908). This led to ‘the secession of a very large proportion of the people from the Church of Rome, and in the establishment of the Lutheran Church’; ‘and a lot of people were ‘freed from many of the false doctrine and abuses that had become part and parcel of the Roman religion’ (Fry, 1908:5). Unfortunately the reformation was not logically concluded, but at least reduced the authority of the Church of Rome and brought about many Christian sects (Calvin and Beveridge, 2008; Luther and Dillenberg, 1961; Spitz, 1985; Dickens, 1974).

What could be regarded as the English Reformations started with the desire of Henry the eighth to seek a divorce from Catharine of Aragon and therefore had to disown the Papal authority which culminated into secession from the Church of Rome and led to what is still today a State Church; Church of England (Fry, 1908; Dickens, 1991). The Protestant Tudors placed a cap on the freedom that came with the secession from Rome which was referred to as ‘thus far shall thou go and no further’ (Fry, 1908:8).

Despite this some Christian sects emerged, among which was the Puritans in 1554; they calmed to have come to further simplify the reformed religion; they sought to free the Church from the control of the State; unfortunately they were driven to exile by Queen Mary (Haigh, 1993; Milton, 2000). Hiding under the pretext of freeing the Church from the State, they exercised unrestricted, arbitrary and dangerous power (Dickens, 1991). This led to a strong opposition from George Fox and his ‘friends’, as they ‘regards the claims of the Presbyterians as far more dangerous to true spiritual religion than those of a State Church over which the House of Commons exercised a salutary control’ (Fry, 1908:9-10). This opposition also led the formation of sects like the General Baptists, The Independents, the Anabaptists, the Seekers, the Ranters, the Muggletonians, the Johnsonists, and the Brownists (George and George, 1961; Wallace, 1982). The other fall out of the secession was the migration of the Pilgrim Fathers to America ‘in search of Freedom to worship God in the own way’ (Fry, 1908:10)

George Fox and his ‘friends’ (who were later derogatorily referred to as the Quakers) continued to meet even under serious persecutions including imprisonment, banishment and being put to death; for example Fox himself was imprisoned at Nottingham, Derby, Scarborough, Lancaster, Carlisle, Launceston and Worcester (Wright, 1932; Lloyd, 1950; Fry, 1908). George Fox strongly believed that ‘to be a Christian is to pass from death unto life’ and that ‘there is Only One, even Christ, who can speak to every condition’; Fox concluded that his mission was ‘to draw men from the world and to bring them to the living Christ’ and that there one central idea of God which is that He is ‘All Father’ (Fry, 1908:11-12).
What could be regarded as the pillar of belief of the Quakers can be extracted from the various messages of George Fox and this was summarized by Fry (1908:25-26) thus: (1). “The doctrine of the Inner Light. The ‘Seed of God’ is in every soul; His Spirit in us moves every heart; Christ is the Light and Saviour not only of the world but of the individual. (2). The Bible is not only God’s revelation. He also speaks to the hearts of men by His Spirit, convincing them of sin, and leading them to salvation through Christ the living Word. (3). Direct personal communion with God is therefore possible and necessary for every believing soul. (4). Primitive Christianity revived. All men and women are called to follow Christ wherever He may lead – in lives of honest industry and toil, or in lives devoted specially to His service. God is no respecter of persons, rich and poor may alike approach Him through Christ. The aid of, or intervention of a priest is not needed for this. No priestly caste is required, not forms nor ceremonies, since worship is a thing of the heart, and must be in Spirit and in Truth. (5).

From these principles it followed that the ‘Friends of the Truth’ must be the friends of all men. War must be wrong, when we are all children of God and temples of His Spirit. Injustice, dishonesty, and social evils, must be alike combated and overcome”. Fox died in 1690 and by this time there were ‘60,000 Friends or 1 in every 130 inhabitants of the country’; for example in Yorkshire alone, by 1687 when the Toleration Act was passed the Quakers took licences for 400 meeting houses and in Cumberland in the same year ‘1 in every 4 persons was a Quaker’ (Fry, 1908:15).

Method

Historical Descriptive Research Method

This study being a historical and descriptive relied on the secondary sources. Secondary data are data collected and recorded by someone else prior to and for purposes other than the current needs of the researcher (Harris, 2001). Secondary data is usually historical and already collected data that does not necessitate access to respondents or subjects (Ember and Levinson, 1991). The major advantage of this source of data collection is in the fact that it is less expensive than the primary source of data collection (Zikmund, 1984).

If one also looks at the fact that nowhere in science do we start from scratch, it is therefore a good source of proceeding with a research even if one will still go back to the primary source; there is something handy one can use as a starting point (Kaplan, 1964). One can also build on the researches already conducted by other people using the secondary source as the basis of judgement. In this study, this source of data collection will be heavily relied on because the events happened over a century ago and fortunately one of the parties involved The British have a very good culture of keeping records of events.

The Research Methodology

This type of research methodology was regarded as one that does not fit into either quantitative or qualitative research method (Knox, 1980). It utilises elements of both within the same study, and this was reflected often in the research questions. This type of research methodology can also employ multiple variables for analysis; on the other hand it is unlike other methodology in that it requires only one variable, and in the present study the variable is religion (Quakerism) (Whitfield and Strauss, 1998). Description emerges following the creative exploration, and helps to arrange the findings in an order that will help to be fit for explanations and these explanations can then be tested to validate the variables being studied and with the aid of description, knowledge is illuminated and facts that were ignored can now be brought to light and better understood (Whiting, 1964). This method also helps in describing natural and man-made phenomena that will be very useful to other researchers and policymakers while prediction is also made easier at least to some extent (Borg and Gall, 1989).

The Case Study: Quakerism in the employment/industrial relations practice of John and George Cadbury

John Cadbury was born in 12 August 1801 to Richard Tapper Cadbury; this family was regarded as a wealthy Quaker family (As a Quaker in the 19th century, John was not legally allowed to enter a university to pursue a profession like law or medicine; as a Quaker and pacifist he could also not join the military); he was therefore left with the option of going into business (Dellheim, 1987). He was an apprentice to a tea dealer in Leeds in 1818 and he returned to Birmingham in 1825 to opened a small one-man grocery shop at 93 Bull Street Birmingham; he started the manufacturing of chocolate and cocoa drinks in 1831. This was partly because as a Quaker he had a temperance belief that alcohol was a major cause of poverty and other social ills, cocoa and chocolate drinks were therefore seen as better alternatives (Wagner, 1987).
The brother, Benjamin joined him in 1847 as the business prospered and they rented a larger factory on Bridge Street; but this partnership was dissolved in 1860. John married twice; the first was to Priscilla Ann Dymond (1799-1828) in 1826; she died two years later. In 1832, John married Candia Barrow (1805-1855); they had seven children: John (1834-1866), Richard (1835-1899), Maria (1838-1908), George (1839-1922), Joseph (1841-1841), Edward (1843-1866), and Henry (1845-1875) (Dellheim, 1987). There were two stories told of John Cadbury that sounds Quaker-like, it was said that he came out to the factory before every worker in winter to make sure that the heaters were working in all the offices before the arrival of the employees, secondly he stood out in the rain and waited for the train to carry the workers who were to stand clear of the rains, at the approach of the trains he blew the whistle to call out the workers (Bryson and Lowe, 2002). This will be very strange to a non-Quaker but just in line with one of the main principles of Quakerism ‘that all human beings are equal in the presence of God’. As the chocolate manufacturing in those days was associated with a lot of dust, John Cadbury built swimming pools exclusively for the workers (Braithwaite and Cadbury, 1955).

In 1900, George Cadbury set up Bournville Trust with about 330 acres of land with spacious houses for workers this is to fight against the poor housing conditions with very bad sanitary facilities (Dellheim, 1987). This had a direct impact on the mortality rates, in 1915 the mortality rate for Birmingham centre was 187 per 1000 but at Bournville village it was 47 per 1000 (Anderton, 2004; Bryson and Lowe, 2002). This again was based on the Quaker’s principle of equality of all men and women before God.

In 1902 Men’s and Women’s Suggestion Committee was formalised, this was just to officially formalise the existing practices, because as far back as 1893 women had voted to start work later than the 6 am starting time for men, this Committee was like the present day Trade Unionism. In 1905, the Women Committee was set up and this had a lot of influence on Government’s policies on women at work and the role of women in the society at large. In 1911, the hours of work for all workers men and women were reduced to 44 hours a week and Saturdays were declared as half-day working days. It was not surprising that during the times of John and George Cadbury’s when workers were treated only a little better than slaves both of them were treating their workers as partners in progress, the secret was the Quakerism in them (Gardiner, 1923).

Maxism versus Quakerism

Korpi and Shalev (1979) sees industrial conflict as a dramatic demonstration of the relationship between capital and labour, the Marxists were of the opinion that conflict situation was a product of labour market, where on one hand were workers who have their labours to sell, the sales of which determine their social and economic survival; on the other end were the buyers of labour power who owns the means of productions To the later, the cost of labour was an important factor in the cost of production which must be brought down as much as possible, there was therefore an irreconcilable difference between the two parties and they were always in perceptual conflict (Lebowitz, 1992; Postone, 1996; Cohen, 1988). The reconciliation of the differences will bring about an increase in revenue and the distribution of this additional revenue is determined by the power situation. This means that those employees with no power may get nothing, there was no fairness or equity in the distribution system and this must be contested, some workers may not be aware of this fact; there is therefore a need to trigger off their consciousness. Alienation is important in the Marxists thinking and the notion is of powerlessness. This is that labour is sold in capitalist system, bought by capitalists and used to satisfy their needs rather than those of the workers (Cohen 1988). The worker is estranged from the things he created and this violated the essential nature of man, alienation is seen in modern industrial labour settings through: division of labour which Marx (1967-1979) saw as a means of promoting wealth for the capitalists and restricts the freedom of the worker, factory system of production is seen as the most complete method of determination of the worker by the capitalists as he controls in details every activity of labour.

Marx (1967-1979) did not see any of the above as important in their own right, they are just important because they represented the most developed form of treating workers as commodity. Alienation cannot be overcome by increasing wages, it only makes the worker a better paid slave, social reforms and workers’ cooperative with or without the assistance from the State cannot eliminate alienation, the only weapon against alienation is the overthrow of capitalist system and labour must cease from being regarded as a commodity (Carter, 1985).

However, John and George Cadbury proved Karl Marx and his followers wrong because of their Quakerism background as they refused to treat workers as commodity, the workers were treated as human beings; they were treated as equals to themselves and as co-owners of the factory (Dellheim, 1987).
The conflict that Marxists claimed to have existed in the factory system was diffused by John and George Cadbury, their talk of the denial of workers of the fruits of their labour, was not the situation with John and George Cadbury as houses befitting of the statues of the workers were built for them, their welfare was well looked at; all from the proceeds of their labour (Wagner, 1987). With the Men’s and Women’ Suggesting Committee, the workers were able to participate in decisions making, this went a long way in reducing if not totally removing the tensions and pressures embedded in manufacturing concerns and bridged the communication gap between the owners of business and their workers (Dellheim, 1987).

The Quakerism’s principle of equality makes nonsense of the concept of social stratification and all its associated problems (Angell, 1936; Quakers Advices & Queries, 2002). For those in the Technological school of thought who claimed that the technology decides the type of industrial conflict, John and Cadbury built swimming pools to reduce the effects of dust associated with the technology of chocolate industries of those days. Their human relations approach made effectively bridged the gap between the management and labour.

The Corporate Social Responsibility practitioners of today as well as multinational enterprises need to learn a lot from the Quakerism in John and George Cadbury. They used the profit to benefit the community in which they are located as they believed that profits must be used to develop the community. There were therefore no how one can talk of Birmingham of John and George days without talking of their company – Cadbury. This was because their Bourneville village influenced the Garden City Movement and the planning of post- Second World War new towns (Allen, 1929). One has no choice but to agree with Gillman (2006: 45) who wrote that ‘Conditions in his (George Cadbury) factory were in the vanguard of enlightened industrial relations’, while ‘Quakers insistence on integrity, simplicity and truthfulness’ (Advices & Queries, 2002) should be recommended to all employers of labour

Discussion

Defining religion is problematic because it is a complex, diverse economic and cultural phenomenon; because it means different thing to different people (Batson, 1976). Durkheim (1912) describes it as how a symbol or collective representation can contain a sacred power strong enough to unite a group of people. Freud (1927 and 1929) became more critical of religion and its ability to improves people’s lives after what he saw during the World War 1 and during the rise of Nazism; he had before this agreed ‘that religious symbols hold a great social power’ (Hecht and Biondo, 2010: xi). Guiso, et al, (2003) suggest that it is better to explain the phenomenon by identifying its basic characteristics which are: (1) Belief in Supernatural Beings. (2). Sacred versus Profane objects, Places, Times (3). Ritual Acts focussed on Sacred Objects, Places and Time. (3). Moral Code with Supernatural. (4) Prayer and other Forms of Communication (5) A World view and Organisation of One’s Life based on the World view. (6). A Social Group bound together by the above. Quakerism satisfied all the above characteristics it is therefore a Christian (since they believe in Jesus Christ) religious sect.

However, Hecht and Biondo (2010:673) identify Judaism, Christianity and Islam as ‘monotheistic religions from the eastern Mediterranean that worship the God of Abraham described in Genesis. They share traditions of prophesy in which religious ethics about economic life are revealed as divine law’. They (2010:674) concluded that ‘ A religion too out of touch with the economic realities will cease to exist, which is why religions only provide recommendations or reminders in the face of hard economic realities’. The Protestants especially the Quakers have contributed immensely to the economic development of Great Britain (Hansen, 1963). Other scholars including Putman (1993) La Porta et al, (1997), Landes, (1998), Stulz and Williamson (2001) all attributed the economic development or economic underdevelopment to religion.

Quite the contrary, the economic development of the world, (was) broken only by the Great Depression of the nineteen-thirties, was providing ever-growing opportunities to British industry’ (Wiener, 1981:167). Wiener (1981:170) quoted Peter Mathias to have concluded that the problem of British economic decline ‘cannot be explained just in simple terms of economic hypotheses such as wage rates, shifting terms of trade or deteriorating resources.’ Wiener (1981) then turned to social and psychological explanations, although Hobsbawm dismissed this and was quoted to have concluded that “British economic retardation involved no ‘irrationalities’. The ‘fault’ lay not with the temperament, attitudes, or abilities of businessmen or workers”. Wiener (1981) invariably concludes that the retardation could be as a result of changing British culture and not much of economic factors. It is therefore obvious that religion which is a major cultural trait can influence and has influenced management practices not to talk about the economy as a whole.
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