The management of second-generation migrant workers in China: A case study of centrifugal paternalism

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Abstract

How have organisations sought to manage tensions between the needs for flexible labour in neoliberal market economies and the benefits of a committed and motivated workforce? Through an in-depth, qualitative study of a Chinese company, we identify and theorise a novel variation of paternalism that was developed by the organisation to manage the tensions under neoliberal capitalism. We label this management regime 'centrifugal paternalism' since it organises employment relations along the lines of 'adult-like' employers and 'child-like' employees but involves the diminution of employee dependency over time with an ultimate impulse *away* from the employing organisation. We find that the emergence of centrifugal paternalism is closely related both to the socio-demographic identity of the company's employees as China's second-generation migrant workers and to the economic context of the organisation. Through a 'tough love' approach, this regime allows the firm to secure flexible labour while responding to migrant workers' needs for personal skills development and a fruitful rural-to-urban transition. Our research responds to recent calls for reconnecting organisation studies with society and situating workplace practices within their contexts. It also underlines the enduring importance of paternalism for understanding the dynamic and evolving nature of capitalist employment relations and management regimes.

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Keywords

Introduction

Neoliberalism produces tensions in business organisations. On the one hand, the pursuit of efficiency and profitability in unpredictable and competitive markets requires flexibility in employment leading to an increase in precarious and 'bad jobs' (Kalleberg, 2009). On the other hand, organisations require a committed and motivated workforce given the intensive and demanding work that is needed to succeed in competitive markets (Brannan et al., 2015; Fleming, 2005). This article investigates how these tensions between the demands of a neoliberal market economy and the benefits of a committed and motivated workforce can be managed. Through an in-depth, qualitative study of a Chinese company, we identify and theorise a novel variation of paternalism developed by the organisation to achieve exactly this. We label this management regime 'centrifugal paternalism' since it organises employment relations along the lines of 'adult-like' employers and 'child-like' employees but involves the diminution of employee dependency over time with an ultimate impulse *away* from the employing organisation. This is compared with the previous forms of paternalism identified in literature, which we collectively term 'centripetal paternalism' as these deepen employee dependency over time. To capture the variations of paternalistic management regimes in metaphorical terms: centripetal paternalism binds employee and employer in familial relations while centrifugal paternalism sees the employee graduate from 'school'.

In this article, we examine paternalism as a management regime that emerges and is embedded within the specifics of the socio-political context and includes both formal management and employment relations practices as well as an understanding of management's actions and obligations in delivering these practices. We describe how a 'centrifugal paternalism' regime is manifested and implemented at the workplace, through a 'tough love' approach in which managers 'guide', 'educate', 'take care of', and 'socialise' workers before they are 'let go' to find their way in the world. We examine the social and political contexts that give rise to centrifugal paternalism, concluding that the emergence of centrifugal paternalism is closely related to the socio-demographic identity of the company's employees as China's second-generation migrant workers. These migrant workers are eager to pursue a better life in urban cities, but have difficulties adapting to and settling into the cities owing to China's house registration system, known as *hukou*. Under this system, migrant workers remain registered in their home villages and are not able to gain access to public services and other rights in urban cities (Xiang and Tan, 2005). Centrifugal paternalism represents a management regime that allows the firm to meet its needs for flexible labour while at the same time developing migrant workers' capabilities to increase their prospects for their longer-term settlement in the urban city under the *hukou* system.

Our study is informed by labour process theory (LPT) with its focus on management–employee relations, particularly the practices of management control, at the point of production (Ackroyd and Thompson, 1999; Burawoy, 1979; Delbridge, 1998), and the

concern to locate and explain novel management practices in their relevant and meaningful social-political contexts (Delbridge, 2006; Vincent et al., 2020). Our contributions are threefold. First, we identify and theorise a novel management regime that we term 'centrifugal paternalism'. We demonstrate how paternalistic regimes can be developed in neoliberal societies and be used to manage the tensions between neoliberal employment and the need for high levels of commitment in otherwise precarious and 'bad' jobs. Second, this research challenges the claim that paternalistic practices are incompatible with contemporary workplaces that require flexible and highly mobile labour forces (Choi and Peng, 2015; Chou, 2002). The evidence and theorisation presented in our study suggests that a contemporary manifestation of paternalism continues to be relevant despite economic changes that have eroded the prospects of permanent employment and job security. In doing so, our research underlines the importance of paternalism for understanding the dynamic and evolving nature of capitalist employment relations. Traditional paternalism drew attention to how employee dependency was heightened over time; our study identifies a form of paternalism where the dynamic is reversed. Third, this study responds to recent calls both for reconnecting organisation studies with society (Hinings and Meyer, 2018) and situating workplace practices within their political and economic environment (Vincent et al., 2020), by investigating why and how novel practices arise in a particular societal context in which the company is embedded. Following Vincent et al. (2020), we show both the conditioning influence of social-political environment and the practical agency of management in producing a specific organisational approach to managing second-generation migrant workers. While this article focuses on migrant workers in China, we outline implications for the study of paternalism and for the management of employees in other fluid labour markets where employees are more committed to their future mobility in the external market than to job security with one organisation.

The article proceeds with an overview of the literature on paternalism, taking a LPT perspective that connects workplace practices and relations with their wider socio-economic contexts. We then outline the setting of the study regarding migrant workers in China and the particular challenge that managing this 'second generation' poses to managers. Next, we introduce our case and methods. We theorise our findings and reflect on their broader implications in the discussion and concluding sections.

Situating workplace relations: LPT and paternalism

The relationship between workplaces, organisations and society has long been a central topic in both sociology of work and organisation studies. However, scholars have recently pointed out that contemporary organisational theorising has become rather introspective and as a result, 'the relationship between society and organisations or organisational forms disappears from the radar' (Hinings and Meyer, 2018: 73). Similarly, Vincent et al. (2020) argue that engagement with political and economic contexts has been missing from much mainstream research on human resource management (HRM), resulting in a number of limitations both in terms of the theoretical promise and practical reality of HRM. We concur that a broader perspective is thus needed to explain how and why workplace practices and relations are embedded in and shaped by the political economy.

In this article, we build from previous work that has used LPT to theorise various forms of paternalism and the contexts within which they developed.

LPT offers a useful theoretical framing to examine connections between 'higher level' social structures and processes and workplace-level practices and outcomes (Delbridge, 2006; Vincent et al., 2020). LPT focuses attention on management control and the indeterminacy of workplace relations between managers and employees. It engages with political economy and class relations in understanding 'what people do and the contexts in which they act' (Delbridge, 2006: 1210). Indeed, since its emergence, understanding of the labour process has been driven by analyses of new contexts and empirical settings, from workplaces under monopoly capitalism (e.g. Burawoy, 1979; Edwards, 1979), factories under lean-production regimes (e.g. Delbridge, 1998), call centres in the contemporary service economy (Sallaz, 2015; Taylor and Bain, 1999), to platforms in the gig economy (Gandini, 2019; Wood et al., 2019). In this article, we deploy LPT as an underpinning analytical framework to assess the management practices and workplace relationships between managers and employees that are associated with paternalism and to understand the socio-political environment in which different forms of paternalism emerged and flourished in different societies in different times. We then extend previous work to interpret what contextual factors have contributed to the emergence of centrifugal paternalism and how these factors shape the implementation and reception of this novel approach at the workplace.

Paternalism is a long-established concept in the sociology of work (Abercrombie and Hill, 1976; Sheppard and Sheppard, 1951). It has been used to describe a form of labour control and management regime that establishes employer authority and seeks to generate employee effort and consent by organising employment relations along the lines of 'father-like' employers and 'child-like' employees (Ackers, 1998). Paternalism does not exist within a social vacuum – it is embedded in a particular system of social stratification (Newby, 1975).

Paternalism emerged and flourished initially in early industrialisation in some British factory villages (Burawoy, 1985; Joyce, 1980) and subsequently in some US companies (Hall, 1987; Hareven, 1982). According to Burawoy (1985), classical paternalism emerged in a transitional period in industrialisation when British industry was in search of a new system to respond to increasing market competition and technological changes. While some firms embraced direct, Taylorist control, other firms adopted paternalism as an alternative form of organisation.

Paternalism in early industrialisation was founded on an ideology of moral responsibility on the part of employers and dependency on the part of employees (Bendix, 1959). Rural-to-urban migrant and immigrant workers figured prominently in descriptions of paternalistic workplaces in their earliest descriptions both in the UK and US. Meyer (1985) argues that the 're-making' of workers in Ford was intended to adjust preindustrial labourers as they moved from rural areas to new industrial and urban conditions. Thompson (1967) also stressed that 'the transition to mature industrial society entailed a severe restructuring of working habits' (p. 57). These studies signal the importance of transforming workers and changing their habits and character so that they could adjust to new industrial and urban conditions. As Barley and Kunda (1992) suggest, early paternalists aimed to improve the 'conditions of the "workingmen [sic]" rather than improve

working conditions' (p. 567). These early forms of paternalism were seen to contribute to the stabilisation of employment relationships and led to a management regime with a deferential relationship between employees and their employers (Newby, 1975).

In Asia, paternalism has long been identified as a distinguishing characteristic of Japanese workplaces both before and after the Second World War (Abercrombie and Hill, 1976; Dore, 1973; Littler, 1982). Typical paternalistic practices in the post-war period included the provision of permanent employment, relatively high pay levels for core employees and a wide range of employee benefits. The rise of Japanese paternalism is often explained as a natural outgrowth of the country's cultural heritage featuring 'groupism, feelings of dependency, and a high regard of harmony' (Abegglen, 1973; Hazama and Kaminski, 1979) but more critical accounts ascribe Japanese workplace relations not to cultural predispositions but rather the outcome of intense employment relations conflict post-World War II (Gordon, 1998). Likewise, it has been argued that Japanese paternalism was a product of Japanese managers consciously implementing the 'best practices' of western employers modelled on 'welfare capitalism' (Tsutsui, 1997).

China constitutes an interesting and potentially fruitful context to study paternalism. Traditionally, China has been a paternalistic society under the influence of Confucianism (Warner, 2009). Before China's economic reform in the 1980s, this paternalistic culture was integrated into a patriarchy-based political system in which the party and government acted as a 'father figure' making choices on behalf, and in the interests, of the masses (Mandle, 1984). It was then manifested in workplaces in the form of *danwei* (work units) featuring 'job for life' and 'cradle to grave' welfare for employees (Lu and Perry, 1997). In the *danwei* system, Confucius cultural tradition, personal relations, family norms, kinship and communal associations play an important role in regulating and legitimising industrial authority (Warner, 2009). *Danwei* was not only a workplace but also an 'all-encompassing work and residence community' that offered employees jobs-for-life and all social welfare including housing, medical care, childcare and jobs for children of the employees (Chan and Unger, 2009). As the economic reform proceeded, China actively embraced neoliberal and entrepreneurial mindsets and has imported western-style management practices into its workplaces (Warner, 2009). Consequently, the old '*danwei*' system was replaced by marketised employment relations (Friedman and Lee, 2010). In contemporary China, informal precarious work represents a majority of urban employment and is closely associated with migration and industrialisation processes (Swider, 2015). However, paternalism does not just disappear; some empirical studies have shown the legacy and remnants of *danwei* in the management strategies used by former state-owned firms and village enterprises (Chen, 2008). Therefore, it is worthwhile investigating whether and how paternalism may be blended with market-based practices in neoliberal, contemporary workplaces.

While there have been significant variations in the forms of paternalism reported, it is widely understood that paternalism is associated with 'permanent' employment, provision of certain worker benefits beyond remuneration, a heavy reliance on internal labour markets and a greater emphasis on job security and employee loyalty in contrast with arms-length, market-based and contractual employment relations (Ackers, 1998). It also features high levels of pay and financial incentives to motivate employees (Weatherburn, 2020). These management practices develop and reinforce the dependence of workers

and strengthen the authority of employers. In effect, employees become ensnared in a closed system with limited (and declining) external options. We label these forms of paternalism as 'centripetal paternalism' since 'centripetal forces', shaped by external social and economic structures, are directed *inwards* on the workplace and act to draw in and bind the employee to the employer.

Over several decades, globalisation and neoliberal governance have led to transformations in the post-Fordist pattern of work organisations, heralding high levels of flexibility in both production and employment. This poses a challenge to the viability of paternalism given its emphasis on relatively stable employment. While some scholars have concluded that paternalism was best viewed as a periodic practice that belongs to a bygone age (Chou, 2002; Drummond, 1995), others argue that the viability of paternalism is 'bounded not by time but by social structures' (Ackers, 1998). A small number of recent studies have suggested that forms of paternalism exist in a variety of contemporary workplaces. For example, the company town studied by Moonesirust and Brown (2021) shares many similarities with early paternalistic regimes in that management control extends beyond formal organisational boundaries into the private lives of employees. Studies on knowledge-intensive, professional service firms have also implied that these firms are highly paternalistic (as evidenced, for example, by their mentoring practices and alumni networks) yet with short-term employment and high turnover (e.g. O'Mahoney and Sturdy, 2016). However, these contemporary manifestations of paternalism are both rare and require further theorisation.

In what follows, we detail how a new and distinctive form of paternalism, termed 'centrifugal paternalism', was identified and theorised through inductive and exploratory research of a Chinese case. Centrifugal paternalism shares characteristics with its centripetal forms, in that it advocates mutual respect, care and reciprocity between 'adult' (parent- or teacher-like) employers and 'child-like' employees. Management takes responsibility for employees and claims to act in their 'best interests', developing practices that help employees become more proficient and effective and that improve their wellbeing. However, in contrast to centripetal forms, centrifugal paternalism does not seek to strengthen the paternalistic nature of these relationships over extended periods of time and thereby reinforce employees' long-term dependence on a particular firm. Rather, it develops the employees to be independent and ultimately to be able to adapt to, and integrate into, the external labour market. The role of the employer is conceived to include the preparation of employees for their future *outside* their current workplace rather than their continuing effectiveness and wellbeing *within* it. In the case presented, this involves preparing migrant workers from China's rural areas for work in a large company, for life in a large urban city, and more broadly to cope with the social and personal consequences of industrialisation. In doing so, managers have developed a 'tough love' approach in order to 'guide', 'educate', 'take care of', and 'socialise' the workers before they 'let them go' into the wider world. By situating centrifugal paternalism in its surrounding socio-political contexts, we show how the management system in our case produces 'centrifugal forces' that draw on external structures and relations and direct employees *outwards* away from their workplaces into the wider external environment. We argue that 'centrifugal paternalism' represents the firm's strategic choice to accommodate its needs for flexible and precarious labour while responding to migrant

workers' pressing needs for personal skills development and their future prospects of settling down in urban cities.

Context: Second-generation migrant workers in China

China's rapid industrialisation and economic growth since 1978 has created one of the greatest rural-to-urban migrations in human history. In 2019, there were an estimated 290 million peasant workers, among whom 135 million were rural-to-urban migrant workers who travelled from the countryside to work in urban cities (National Bureau of Statistics of China, 2019). The first generation of migrant workers came to urban cities in the 1980s when China started its economic reform and the demand for labour in cities increased sharply (Chan, 2018). Although these workers made enormous contributions to urban development, they could not move their families to the cities owing to the institutional segregation between rural and urban areas. According to China's house registration system, known as *hukou*, migrant workers who were registered in their home villages rather than in the cities where they worked were not able to gain access to public services and other rights such as retirement benefits, public education, subsidised housing, and health care (Xiang and Tan, 2005). The absence of these rights forced the first-generation migrant workers to leave behind some of their family members (mainly children and the elderly) in the village while they worked in the city. This led to the creation of a population of what are now known as 'left-behind children' (Ye and Lu, 2011).

In 2018, there were more than 7 million left-behind children in rural areas, 96% of whom are cared for by their grandparents (Ministry of Civil Affairs of China, 2019). Most parents start migrating when their children are still toddlers, hoping to earn and save money for their children's maintenance and future education. They tend to work in urban cities for 20 to 30 years, living separately from their children, and then move back in their 40s and 50s when their children have grown up. Owing to inflexible working times, large distances and considerable travel cost, they normally return home once a year and some have never returned (Ye and Lu, 2011). 'Left-behind' children thus often have little or no direct care and guidance from their parents. The level of education among left-behind children is lower than average, partly because of the lack of teachers and resources in rural areas and partly because these children are often required to contribute to house and farm work (Ye and Lu, 2011).

When these children are old enough, many follow their parents' footsteps and join the migration flow. They have become a 'second generation' of migrants who entered the labour market in the late 1990s and 2000s. Compared with their parents who migrated predominantly for economic earnings and usually intended to return to their rural families after working in the urban cities, the new generation is more motivated by their 'urban dreams' and workers are more committed to the pursuit of personal development and long-term urban settlement (Frenkel and Yu, 2014). These new characteristics of migrant workers have resulted in challenges in their management. First, the second generation of migrants strive to obtain better labour conditions than their predecessors. They are no longer willing to undertake tough and dirty work but demand decent work with better working environments, higher pay and potential for career advancement (Cheng, 2014; Hannan, 2008). Second, these workers are 'less tolerant of disrespectful treatment

by management and more likely to initiate spontaneous collective action to fight for their interest and rights' (Choi and Peng, 2015: 291). The dominant management regime used for managing the first generation of migrants (Pun and Smith, 2007) has been seen as increasingly problematic because it is based on strict labour control and close surveillance in isolated factory dormitories. A recent study in a labour-intensive factory in South China shows that even the so-called 'humanised management' failed to effectively manage migrant workers and improve workplace relationships because a pure 'paternalistic' rhetoric did not change the despotic nature of the management regime (Choi and Peng, 2015). Lastly, responding quickly and proactively to dissatisfaction in labour and living conditions, second-generation migrants have a high tendency towards mobility. They are less concerned about job security with one employer but more interested in their opportunities in the external labour market, resulting in high turnover and considerable organisational costs and disruptions (Choi and Peng, 2015; Qin et al., 2019).

Qin et al. (2019) suggest that migrant workers' commitment to work hinges on how well they transition from rural to urban identities and adjust to urban employment and lifestyle. Therefore, management needs to facilitate workers' rural-to-urban adaptation and develop their belongingness in the new urban environment. In this study, we demonstrate how a distinctive form of paternalism, with a particular focus on migrant workers' rural-to-urban transition, has been developed and practised in a Chinese workplace.

Empirical case, data collection and analysis

The data presented are taken from an in-depth qualitative case study of TypingKids (a pseudonym),[1] a Chinese firm that provides information processing services such as data inputting and editing to Japanese clients. Its major clients include NTT Data, Fuji Xerox and NEC. TypingKids is a privately-owned company founded by a female entrepreneur in 1992. It operates in both China and Japan, providing offshore services (in Dalian, China) and onshore services (in Tokyo, Japan). The Chinese workplace is located in a business cluster where hundreds of firms are providing IT outsourcing services to Japanese clients.

TypingKids has a workforce of 1000 employees, 650 of whom undertake business process outsourcing (BPO) tasks. The BPO tasks involved Chinese workers taking Japanese handwritten documents, which are scanned, faxed or emailed over from Japan, and typing them into a digital database in the Japanese language. Most of the BPO workers in TypingKids have a rural family background and fit the category of second-generation migrant workers, typically receiving only basic education (6 years of primary school and 3 years of secondary school) in rural areas, before migrating and enrolling in technical schools in Dalian City. Most are between 16 and 22 years old and the majority reported that they grew up with their grandparents or other family members as their parents worked outside their hometowns. About 55% of these workers were female.

BPO firms are subject to significant neoliberal tensions. On the one hand, the BPO market is highly competitive and volatile, requiring a flexible, short-term workforce that has relatively low levels of pay. BPO workers, on the other hand, need to be highly committed to deliver services that meet the high expectations of clients in terms of quality and speed. TypingKids was selected for this research project because of its reputation in

Dalian as a 'responsible' employer that cared for employees. This was especially interesting given that many BPO firms were considered to be exploitative owing to their low pay and short-term employment. The broad objective of the research project was to gain an in-depth understanding of how TypingKids managed employees in accordance with the demands of Japanese clients with specific reference to management control and employee responses. This was reflected in the level of details collected about the working lives of workers and informs the arguments presented in this article as it pertains to the experience of migrant workers and the company's control strategy for those workers.

Data collection was primarily undertaken in three different phases: direct observation and interviews in TypingKids' Chinese workplace in Dalian during May and July 2011, and in the firm's Japanese office in Tokyo in March 2012, and interviews in Dalian in February 2014. During the periods of direct observation, one of the research team worked full-time (but unpaid) as a Human Resource (HR) consultant within TypingKids' Chinese and Japanese workplaces. Researching both the Chinese and Japanese workplaces allowed the research team to capture the cross-national nature of the TypingKids and offered valuable insights into the experience of workers. Access to the company and the authorisation to conduct research were gained from a manager of TypingKids, whom the researcher contacted directly through LinkedIn. The observation started with a two-week shadowing of the HR Department in TypingKids' Chinese workplace in Dalian, after which the lead researcher volunteered to assist the firm with its initiative to formulate and implement a new employee appraisal system. Through this involvement, the researcher had the opportunity to talk to managers and workers in different departments and participated in managerial meetings, daily briefings and other activities.

Field notes were taken on each working day, both at work and after work. The observations during this period included active participation in the company's various events, close observations on events happening around the researcher, large numbers of informal conversations with different employees over lunchtime, breaks and activities outside work, and detailed field notes recording observations, the experience of participation and thoughts. The observation generated detailed insights into management practices, the labour process and employees' daily experiences at work.

In total, 58 semi-structured interviews were conducted. Forty-three interviews were conducted with managers and workers in Dalian, China and 15 in Tokyo, Japan. The interview dataset covered all positions in the organisational hierarchy. The length of the interviews varied from 60 to 90 minutes each. Most interviews were undertaken in the Chinese language except two, which were in Japanese with the help of an interpreter who spoke both Chinese and Japanese. Each interview proceeded by asking interviewees to give a brief statement of their personal background and tenure in their current jobs, followed by more detailed questions relating to their job duties and responsibilities, routines and practices at workplaces, their perceptions of the work and the firm, and their relationships with others at workplaces. All the interviews were recorded and subsequently transcribed in their original language (i.e. Chinese). Translation of transcripts into a different language was deliberately not undertaken out of a concern to preserve the original cultural nuances of each interview encounter. All names were replaced with pseudonyms and potentially identifying information was removed.

The research team then coupled observational and interview data with research extensions out to the larger market-fields (Burawoy, 1998). An extensive review of archival data was conducted on the development of the IT outsourcing business cluster in Dalian and the relationships between Dalian and Japan. Special attention was paid to the institutional arrangements in the business cluster in relation to migrant workers and relevant changes over time.

The analysis was undertaken in an iterative coding process, starting with picking out key events, issues and interactions from the interview transcriptions and field notes and moving on to producing thematic categories (Corbin and Strauss, 2008). These categories were firstly loosely informed by the literature on LPT and included themes addressing control, resistance, social contexts, institutional arrangement and so on. We then focus on management control techniques and identify a 'tough love' approach at the workplace through which managers 'guide', 'educate', 'take care of', and 'socialise' workers before they are 'let go' to find their way in the wider city. The exploratory nature of the study meant that our main objective was to look for findings that could inform the literature, and we iterated to identify valuable theoretical concepts and frames, alighting on paternalism as one such. We do not claim generalisation to all empirical settings. Rather our objective is to develop novel theoretical insight from these data in order to advance our understanding of the development of paternalism so that these insights are then examined in the context of new empirical settings.

The analysis of the empirical data is presented in the following section. We first introduce the case firm TypingKids, the city of its location and its rural migrant employees, followed by an in-depth discussion about how managers develop a 'tough love' approach at the workplace.

TypingKids, Dalian city and migrant workers

Dalian City is a port city in Liaoning province and is the major gateway to China's northeast region. Being less than two hours away from Japan by air and a former colonial city of the Japanese, the Dalian local government has taken a distinct economic development path since the 1990s, prioritising the provision of relatively low-skilled outsourcing services to Japanese organisations. This strategy has led to a booming business cluster of hundreds of companies providing BPO and information technology outsourcing (ITO) services. In Thomas Friedman's (2005) bestseller 'The World is Flat', Dalian City is described as the 'Bangalore of China'. This regional strategy has led to, and been reinforced by, a large population of low-skilled migrant workers moving to Dalian from the rural areas of Northern China resulting in the establishment of a dozen local technical schools that welcome migrants and offer them very basic, entry-level training on computer skills and the Japanese language. Migrants study in these schools for one or two years and then seek job opportunities in the cluster.

Flexible labour is crucial for BPO companies in Dalian. This is because demand from Japanese clients fluctuates and changes rapidly. Owing to the low skill and labour-intensive nature of the BPO work, Japanese companies constantly look for suppliers at a lower price and they can switch suppliers easily. Before the fieldwork in 2011, Japan was badly hit with the Tohoku earthquake and tsunami, which caused a sharp decrease of

business to BPO firms in Dalian. To adapt to fluctuating demand and cut labour costs, BPO providers require flexible labour that can be obtained at short notice when business comes in and dismissed easily when business declines. For this reason, most companies in the cluster rely on agencies to provide temporary workers, but this often leads to dissatisfaction with the performance of workers including quality issues (see Zhu and Morgan, 2018).

TypingKids, however, has developed a different model. TypingKids needs to respond to changing demand from the market just as the other providers in the cluster, but its business can be largely managed on a seasonal basis. Every year, the period from August to the following February is considered to be the 'busy season' since the firm gets a large amount of business involving inputting annual reports for Japanese institutions and editing Christmas and New Year cards. March to July is seen as the 'low season', during which the firm and consequently the workers do not get as much work to do.

Instead of hiring agency workers, TypingKids develops collaboration with local technical schools and recruits senior graduating students from these schools. The recruitment is strategically scheduled every year in May and June when schools finish their terms and students start planning for the summer holiday. New entrants are then given three-months training before they are ready to work for the busy season starting in August and September. By doing this, TypingKids aligns its recruitment and training practices with its seasonal business fluctuations and technical school schedules to ensure enough labour capacity for the incoming business. New student recruits have to finish a one-year internship assignment before they can sign a standard three-year employment contract with the company. These interns are paid at a much lower wage rate (at 400–600RMB per month in 2011) than that of the established workers and the mid-career entrants (normally at 1100–3000RMB per month). As we will show later, many workers leave voluntarily during low seasons and managers in TypingKids do not attempt to retain them; this helps keep their workforce numbers flexible and linked to demand. Workers are organised in teams of between 10 and 20 and supervised directly by team leaders. Team leaders are supervised by section chiefs, who typically oversee five to 10 teams, and project managers. When needed, TypingKids also sends employees to provide onshore services at their Japanese clients' sites. At the time of the research, there were more than 40 expatriates in Japan on either short-term assignment (up to six months) or long-term assignment (more than one year).

Like the majority of second-generation migrant workers in China, the BPO workers in TypingKids are generally keen on pursuing their 'dream lives' in urban cities. At the time of the fieldwork, the Dalian government implemented a house registration system that offers some possible pathways for migrant workers to obtain a local *hukou*. One of the most common paths was for migrant workers to prove they had had stable jobs (with large and reputable employers) and regular monthly earnings for more than five years in Dalian. Another pathway was through investment in real estate in the city (the property size should be no smaller than 70 square metres) or new ventures with no less than 1.2 million RMB of registered capital (approximately $200,000) (Dalian Government, 2012). Such a condition-based system meant that migrants could 'earn' access to social services in urban cities if they managed to meet the required conditions.

A 'tough love' approach

A 'big family' with migrant 'kids'

The fieldwork began with shadowing the HR department in which a team of 10 people dealt with all the personnel and administrative issues of the company. One key observation was made during these two weeks: people in the HR department always referred to their frontline BPO workers as *xiaohai* or *haizi* (small child or kid) – 'one kid came by this morning to collect his payslip', 'I need to sort out insurance forms for the kids', 'oh, this kid messed it up'. As the fieldwork progressed, the researcher found this was a company-wide phenomenon as team leaders, project managers and the general manager all called the frontline BPO workers 'kids'. The use of 'kids' did not indicate the worker's age because several employees in the HR department were younger than those whom they called 'kids'. Instead, it was related to the nature of the BPO workers as 'migrant workers' who were viewed as innocent and inexperienced in 'adult life' and had difficulties in integrating into the city. As one HR associate explained, 'I guess I am not suggesting they are "children" by age. . . I meant by their experience. . . knowledge, you know, about the city. . .'.

   The widespread use of 'kids' was complemented by the management's attempts to 'help' these migrant 'kids' integrate into city life and work. There was a strong sense of sympathy among the management towards migrant workers. The team leaders and managers often talked about how difficult it was for a migrant worker to adapt to urban life and live in the city permanently, given the *hukou* system and that they had grown up in rural areas as 'left-behind children'. The researcher was told on several occasions that the BPO workers were far away from their families so that the management tried to make the company like a big substitute family. The managers in TypingKids were mostly local *hukou* holders but there were also a number of non-locals who came from rural areas but had managed to settle in the city. The management felt they were in a superior and advantaged position compared with their migrant workers because they either held the local *hukou* or had 'succeeded' in integrating into urban life. Therefore, they often spoke of their responsibilities to help their workers 'settle down' in the city. By 'settle down', the managers did not necessarily mean the migrant workers would obtain a local *hukou*, but more generally that the migrant workers could live a stable life in the city, manage to 'earn' access to public goods like health and education, and ultimately gain respect from the city population and find a sense of urban belonging. The firm's paternalistic nature was reflected in the CEO's speech at the 2010 Corporate Annual Party. In his talk, the CEO presented the firm as a 'big family' for young, migrant workers and concluded that, 'TypingKids helps you to grow and to pursue your dream life in this exciting city' (Corporate video). During the fieldwork, 'we are a family' was frequently mentioned by managers, either in introducing the corporate culture ('we have a culture that feels like a family' (general manager)); in describing their style of management ('our management is different from that in western firms; our style is softer, more humanised, like a family' (department manager)); or in explaining their approach to employment ('. . .we have never failed to care for our workers, their wellbeing, their growth. We educate and train our workers like their parents' (an article written by the CEO published in the corporate in-house magazine)).

To fulfil what the firm identifies as its responsibilities to its new migrant recruits, TypingKids has developed a 'tough love' approach at the workplace in order to 'guide', 'educate', 'train', and 'socialise' the BPO workers, and finally 'let them go' when they become 'independent' enough. The following sections will discuss each of these elements in detail. As our data reveal, the paternalistic relationship in TypingKids is centred on the 'parents' helping 'migrant kids' settle down and integrate into their new urban life.

To guide: 'Draw the right picture of the urban world'

'To guide' was mentioned frequently by team leaders and managers as part of their role. The general manager emphasised in an interview that this was not only about work tasks, but more importantly, about the worker's life and further career in urban cities in general. She stressed that 'since their parents were away and their grandparents at home were too busy with household duties to educate them, these children had received very little guidance about their future careers and life'.

Efforts in 'guiding' the workers were made in two ways. Firstly, the management offered direction and guidance to help the workers make good sense of their new urban circumstances. The HR manager commented that parents of 'left-behind children' regularly sent money and 'urban' commodities (toys, mobile phones, electronics) to their rural families and this gives their children false impressions that it was easy to make money in cities:

> They think everything is better in the city, they think lives in their rural families are tough and poor, they think people in the city make big money. You get me? They get all these rosy, unrealistic pictures. . .Once they join the urban workforce, they soon find the market is competitive and hard. . . I think they need someone to guide them through and draw the right pictures, from the first day of their work. (HR manager, Dalian)

This comment reveals how managers tend to deny the accuracy of workers' past perspectives of the city. They see workers as 'outsiders' who have little (or an unrealistic) idea of urban life and work. The managers, therefore, claim that they have a responsibility to direct the workers in their life and career. At the same time, they affirm the toughness of work in the city and the limited level of remuneration at TypingKids.

Secondly, managers gave guidance on *how* migrant workers can get settled and integrate into the city. Managers emphasised that 'good work performance' could transcend the workers' non-local citizenship and enable them to gain social respect and status in the city. At one morning briefing, the team leader highlighted the importance of work performance by telling her team members that they would pay a penalty for every error they made in their work. She said this corporate policy reflected the 'rules of games' in the city.

At morning briefings, meetings, conversations and in the in-house magazines, managers made a strong and consistent point that hard work was the key to achieving personal success and living a better life. In one article in the corporate magazine, the author emphasised that hard work was the *only* way for migrant workers to succeed since they 'cannot win by family, cannot win by wealth, cannot win by education'. This view was

highlighted by one expatriate in Japan who was awarded the 'Star of Dedication' for her hard work during pregnancy and shortly after giving birth. At the award presentation speech, she said, 'I knew I had no advantages over the others in terms of my family and educational background. All I do is to work hard' (Corporate Video).

Management's attempts at 'drawing the right picture' of urban life and work are associated with its assumed authority as local, urban citizens, with an accompanying assumption that the migrant workers are outsiders and their perspectives are incorrect. This both creates a sense of fear amongst the newly arrived migrant workers about how they will survive in their new environs and also promotes a sense of inadequacy on the part of the new recruits. One new recruit reported after the induction meeting that she was excited before the meeting but felt more anxiety than excitement afterwards because everything 'sounds new, difficult and demanding' and she was afraid of not being able to learn and adapt to her new circumstances quickly and successfully. These guiding practices draw on the managers' knowledge of their city, reinforce the dependence of workers on their employers to provide the 'right' perspective and subsequently strengthen the authority of managers as 'urban citizens'. Having helped to create a sense of uncertainty, the company then sets out its vision for how to survive and be successful; management portrays an urban life in which only performance speaks and prescribes one way of living that is based on hard work. In doing so, TypingKids seeks to instil a strong work ethic in its workers. Indeed, while 'drawing the right picture of urban life' for its employees, the desirable attitude of hard work is advanced and the authority of management reinforced.

To educate: 'Once you learn the skill, you get your foothold in the city'

Under neoliberalism, skills are considered 'private goods' that should only be invested by individuals in accumulating their 'human capital', meaning that firms invest little or nothing in their employees' skill development (Fleming, 2017). In contrast, TypingKids offers a three-month off-the-job training programme that equips its workers with skills that are much needed in the local labour market. The training focuses on the necessary skills of typing numbers before working up to the greater complexity of Japanese letters and characters. Workers are taught to use an application that enables them to type Japanese characters based on their structures (appearance) rather than on pronunciations or meanings. TypingKids was a pioneer firm when introducing this application to the workplace and was the first firm to develop a systematic training programme for it.

Since other employers in the city do not commonly offer such skills development, it became a big selling point for TypingKids in recruitment and corporate branding. The training was part of the company's preparation for the busy season every year. It was offered annually upon the entry of new starter employees and enables them to be proficient enough for the coming busy season in just three months' time. Through the training programme, TypingKids builds up a distinct reputation within the cluster as a 'good starting point of one's career'. The majority of workers interviewed listed the skills training as one reason for them to join the company. The allure of this training loomed large when the HR manager addressed migrant workers' desire to settle down in the city:

The training will equip you with a skill on which you can rely for your future. We will teach you to type and edit Japanese documents quickly and accurately. There are hundreds of firms out there looking for people with this skill so once you get it, you've gained your foothold in the city. I mean, you need a skill to survive in the city. . . (HR manager, new employee induction)

While this 'skill for life' is rather simple and has little to do with the workers' Japanese language or computer skills, local demand for this skill is high from BPO firms serving Japanese firms using this particular software. Therefore, the three-month training may have a transformational impact on the migrant workers' career prospects and offer them a decent starting point in their new 'urban life'. In the fieldwork, what became particularly apparent was that workers were positive about the training opportunity offered by the company. Not a single worker spoken to questioned the value of the skills they learnt. Workers were very positive about securing other jobs in the local cluster with these skills and the management discourse of the 'skills for life' was positively received. Workers told the researcher that it is common for companies in the cluster to recruit directly from the agency and not bother to train them. Agencies provide some basic training but not as practical and recognisable as the TypingKids' training. Because of the lack of training, young employees who were hired by agencies ended up with 'bad' assignments for years with the lowest pay. TypingKids stands out from the rest in the cluster because it develops young workers and its training programme is highly regarded by other companies. This gives workers hope for better jobs in the future and opens up more promising career prospects.

In daily practice, the team leaders kept motivating workers to perfect their skills and type faster. They ran workplace competitions and arranged competitive ranking in teams by giving specific typing tasks and recording each worker's time using a stopwatch. The management liked to interpret these speed games as activities reflecting the 'competitive' nature of urban society. One team leader explained that these 'games' helped to raise the workers' 'awareness of competition' that, in her opinion, was 'essential in today's society'. At the annual meeting, the CEO said that 'the company has designed daily practices and activities to prepare you [the workers] for your future'.

Apart from the in-house training, some managers also took active roles in advising and encouraging workers to take other advanced training courses such as e-commence, Japanese language and IT skills. As one project manager commented, training in TypingKids was not only about 'skills', but about general 'career development'. Managers were heard several times telling the workers that they should not limit themselves to BPO work, but ensure that they are 'looking in the long term' and explore different career possibilities and 'dream big'. One project manager proudly reported that one of his former workers left the company and started his own e-commerce business. Indeed, when asked about their future career plans, almost half of the respondents said they were considering jobs unconnected to BPO work and many of them commented that working in TypingKids gave them inspiration and confidence for the future.

The above comments show that the company's management practices are not only focused on the workers' present work at TypingKids, but also on their success in the wider urban society and for their long-term future. TypingKids offers education and

mentorship to the workers with the intention that they see what they are capable of, and intends to provide them with skills, work habits and inner confidence that is needed for their future life and career in the urban city.

To take care of: 'There are too many temptations in the city'

In addition to providing guidance and training, managers also claim to feel responsible for 'taking care of' their workers and actively place themselves in 'parental' positions of authority over extra-work activities. There are both hard and soft aspects in TypingKids' caring approach.

The 'hard' care aims to 'protect' workers. This 'protection' was observed when a section chief stopped his team member from playing computer games in a cybercafé; when one HR associate criticised a girl for wearing 'cheap' make up; when a project manager gave a severe reprimand to the worker who was caught smoking; when a team leader reminded her team members to save money instead of buying new mobile phones. In each example, the workers are cast as children who cannot tell right from wrong and lack self-discipline, with their managers as the wise and authoritative parent.

When the managers highlighted the importance of their 'protective' roles, they made reference to the distinctiveness of young migrant workers. Li, a section chief, who described himself as the 'guardian' for his team members, explained that migrant workers were particularly vulnerable to temptations in the city owing to their rural background and inexperience. Therefore, he felt responsible to 'protect' these workers from 'bad' influences:

> Life here [in the city] is different from where they came from [the rural areas]. There is not much going on in rural places, materially or mentally; it's simple, not like here. Here, it is exciting, too entertaining, too many exciting things. . . they [the workers] are too young and they get lost. . . well, they are away from their parents, and somehow I am acting as their parents [laugh].

This comment was echoed by another manager who observed that the huge contrast between cities and countryside made many young migrants envious of the urban affluence they lack; 'they become addicted to the material world but do not want to work hard'.

At the workplace, protecting workers involves keeping them disciplined and 'well behaved'. This is manifested in the managers' strict implementation of an 'Employees' Code of Conduct', a bell-controlled working timetable and a closely-monitored daily operating system. This hard discipline is then married with a soft version of practices aiming to show 'love and empathy' to workers because 'these children have the desire for parental love' (Project Manager, Dalian). To this end, team leaders take a strong counselling role, advising their members on personal problems and responding to their 'emotional needs'. Accordingly, workers tend to form close bonds with their team leaders and see them as trustworthy mentors. By offering guidance, protection and mentoring, section and team leaders establish personal relations with the workers. These relationships go beyond the formal employment contract and often continue after the

workers leave the firm. These relational efforts also played a prominent role in early industrialism's paternalism fostering reciprocity and stabilising employment relationships between employers and workers (Ackers, 1998).

This combination of hard and soft approaches in managing workers constitute the core elements of what managers described as 'tough love':

> I am a strict manager. I stress accuracy, discipline, and performance at work. I criticize and punish workers when they make a mistake. But I do all these to help them. They are still children, inexperienced, immature. . . Most of my workers know that I am harsh for their sake, but even if they don't, they will understand eventually in the future. (Project Manager, Dalian)

To socialise: 'let the workers experience the spirits of city life'

Unlike firms that manage migrant workers under isolated, dormitory-based regimes (Pun and Smith, 2007), TypingKids makes considerable effort to socialise workers with the activities, norms and values of city life. The HR department regularly provides workers with free tickets for the latest films, exhibitions and sports facilities in the city with the purpose to, in the HR manager's words, 'let the workers experience the spirits of city life'. Short trips, picnics, barbeques and other activities are often organised for teams during weekends and holidays. Managers commented that these activities were not organised as part of the corporate team-building training but were 'simply hangouts'. Although these activities are normally arranged voluntarily, workers were encouraged to participate and took them as opportunities to explore the city and to learn 'social skills'.

Team leaders play a central role in socialising migrant workers not only into city life but also their own families, sometimes establishing close personal relationships with workers. One team leader said that she took her team members into her own home almost as part of her own family.

This socialisation is not limited to the Chinese workplace but also extended to TypingKids' Japanese workplace. Expatriates were collectively accommodated in corporate-rented buildings and supervised by managers from both China and Japan. Managers not only cared for the wellbeing of the expatriates, but also organised sightseeing and social events for the workers to explore Tokyo. During the fieldwork in Tokyo, the Japanese manager invited the expatriates and the researcher to have dinner at his home with his wife and children. Two daytrips (a picnic in a park and a short trip to a tourist site in Tokyo) were also organised for expatriates and their families during that period. In many cases, managers intentionally involved workers in the planning and organising of social activities. Every individual expatriate was assigned tasks such as booking tickets, communicating with the hotel or restaurant staff, shopping and so on. Managers explained this was meant to provide workers with opportunities to practice social skills and the Japanese language. The expatriates were excited about these activities and felt grateful to the firm: 'It is eye-opening. I would not have had these opportunities to experience the city, not to mention a foreign city like Tokyo, if I were not with TypingKids.'

All these socialisation activities helped migrant workers to integrate into city life and reinforced the firm's parental role in both managing and educating the migrant workers.

To let go: 'You will graduate sooner or later'

Centripetal paternalism is long-term oriented, featuring permanent employment in return for employee loyalty. By contrast, employment in TypingKids is short-term and highly flexible. Annual turnover in TypingKids is higher than 50% and most employees leave after one-year's work. In fact, given the seasonal fluctuation of its business, managers are happy to 'let' workers voluntarily leave for other companies during low seasons, making little effort to retain them. According to several managers, in doing so, the firm avoided making workers redundant.

Labour flexibility is achieved by implementing a pay system that minimises the fixed basic pay while emphasising the variable piece-rate bonus. On the one hand, the fixed basic pay only accounted for 40% of employee monthly income (TypingKids, Corporate Report, 2013). The fixed basic pay in TypingKids (average of 800RMB) was significantly inferior to the best rates in the cluster (average of 1000RMB). On the other hand, workers got well paid during the busy seasons when they had regular overtime opportunities. During the quiet season, however, when workers are not doing overtime, pay is comparatively low, leading to people leaving the company at that time – which in turn reduces costs to the company. It is also made possible by the wide availability of job alternatives offered by the BPO cluster.

The high turnover rate is normalised through a discourse of 'graduation'. Instead of the 'family' image that usually features in the rhetoric of a paternalist workplace, workers in TypingKids tend to describe the firm as a 'school' from which they will graduate sooner or later. This discourse was also prevalent among managers. The CEO described the company as a 'springboard' for workers, from where they learnt essential skills and then moved to other positions. In his opinion, 'workers are free to pursue every opportunity they want'. Project managers and team leaders also encouraged the workers to learn fast and 'graduate' quickly so as to pursue other good opportunities. The fieldwork started in the low season and the HR department was receiving resignation letters almost every day. The HR associate simply signed off each one and told the researcher, 'they [the workers] have made their decisions and we do not hold them back'. The company had thus developed an approach that both highlighted the developmental nature of its skills training and normalised employees quitting, allowing it to control costs through labour mobility. Meanwhile, workers were told that they were welcome to 'come back home' when they wanted to, as the HR explained to me, 'we keep the door open and would re-hire former workers in busy seasons'.

Given the seasonal fluctuation of business in TypingKids and the job opportunities available in the local cluster, workers were used to the idea of quitting. As one worker reflected, 'we stay during the busy seasons and we are free to job-hop during the low seasons to secure a higher basic pay'. Many workers said they planned to leave for other jobs after accumulating experience in TypingKids.

Overall, the management approach of TypingKids has a symbolic authority analogous to a school. Managers are cast as the workers' 'teachers', with the responsibility to protect and take care of them both at and outside work, while motivating them to learn and practice both technical and social skills and eventually supporting them to graduate from the 'school'. Accordingly, workers are cast as 'kids' who are immature, inexperienced

and lack skills and self control. Such an image is rooted in the workers' socio-demographic identity as 'migrant workers' and contrasted with the management's identity as 'urban citizens'. Management systematically and deliberately infantilises workers by denying the value and validity of workers' past experiences and perspectives on urban life and work. Thus, the foundations for labour control are created and this is then achieved through management's role in 'guiding' workers through a new world (i.e. the urban life) and helping them to survive and eventually succeed in this world; a 'tough love' approach is enacted in the purported interests of individual employee's future life in the city. At the same time, and while the company maintains flexibility in employment costs through variable pay and the voluntary turnover of employees, the most damaging aspects of precarious work in terms of loss of employment and the stress related to this are potentially ameliorated by the prospect of alternative employment.

Centrifugal paternalism enables TypingKids to achieve its strategic goals in several ways. First, while other companies prefer experienced workers, the centrifugal paternalism in TypingKids is used to manage a segment of the labour force that is generally undervalued by the market: young graduates from technical schools. TypingKids hires these graduates at comparatively low cost and rapidly prepares them to work for the busy seasons after three months of training. In doing so, TypingKids secures a predictable and low-cost labour supply without having to use agency workers as other companies do. Second, while other companies struggle to keep agency workers motivated and satisfied, TypingKids' 'tough love' approach appears to have generated high commitment and relative satisfaction among workers. This is achieved by preparing workers for their future career and life in the urban city, addressing their desires for 'parental love', a sense of belonging, personal skills development, career prospects, and future settlement as second-generation migrant workers. Third, while the use of inexperienced workers is often associated with quality and productivity concerns, TypingKids has managed to impose discipline and encouraged hard-working ethics by linking these with the education of young workers in the 'right' mindsets and norms needed in the urban world, stressing these as the gateway to future success. By offering training and development opportunities, TypingKids has produced higher quality labour than is available directly from the agencies so that they can offer high-quality services and retain clients. Last but not least, in contrast to the centripetal paternalism that is long-term oriented, the centrifugal paternalism developed in TypingKids is in line with the company's needs for flexible labour. It achieves this by strategically scheduling labour recruitment and training according to the seasonal fluctuations of its business as well as the patterns of technical schools, deploying a pay-by-piece reward system and letting workers voluntarily leave during the low seasons.

Discussion: Understanding a new form of paternalism

Our exploratory study has identified a distinctive, novel management regime developed by the organisation to manage tensions in neoliberal capitalism between the need for a flexible workforce with precarious jobs and the need for dedicated and motivated workers to deliver demanding tasks. Drawing on a labour process framing, we extend the well-established concept of paternalism to theorise this management approach as a novel

and distinctive form. We term this 'centrifugal paternalism' and, in this section, we first analyse the similarities and differences between our case and centripetal paternalism before discussing the contextual features that inform the development of centrifugal paternalism.

The most important similarity shared between TypingKids and other cases of paternalism is that they all organise employment relations along the lines of 'adult-like' employers and 'child-like' employees and they all involve employers' commitments to help employees develop their capabilities. As with the paternalists in the early industrialised UK and US, managers in TypingKids believe that they shoulder some responsibility to help their employees cope with their working lives. Indeed, there are also similarities in how migrant workers (and immigrants in the US case) were assisted in their capacity to survive the changes wrought through industrialisation. In our case study, this includes help to integrate and settle when moving to an urban city from the countryside. Having experienced urban life and a sense of belonging, these managers assume superior competence over their migrant workers and believe that they act in the best interests of the workers as their 'teachers'. Under their perceived authority and greater expertise in urban living, the management in TypingKids establishes a paternalistic system claiming to help workers with their identification with, and life in, the city. This is achieved by developing workplace practices to 'guide', 'educate', 'take care of' and 'socialise' workers. These practices constitute something more substantive than a paternalistic style of leadership (Chan, 2014; Pellegrini and Scandura, 2008), or the rhetoric of paternalism that has been reported in other contemporary workplaces both in the West (Fleming, 2005; Kerfoot and Knights, 1993) and China (Choi and Peng, 2015) and represent substantial efforts to prepare workers for the future and facilitate their urban settlement in the long-run. Efforts that, as we have seen, also deliver on the needs of the company for a flexible and motivated workforce.

However, along with these key similarities, the 'tough love' approach in TypingKids differs in fundamental ways from the paternalism that has been reported previously. While centripetal paternalism is based on long-term commitment and loyalty between employers and employees, our case reveals two-way but short-term commitment. The company provides the migrant workers with much needed training and guidance in return for their labour but this is understood to be for a finite period. TypingKids delivers a strong message about its moral responsibility in helping the migrant workers to achieve the transition from dependence to independence over a relatively short period of time so that they are able to settle down and succeed in the city by 'graduating' from the company. This stands in contrast with a centripetal paternalistic work regime in which dependence is deepened over time. In the context of highly seasonal demand, TypingKids' business model benefits considerably from this highly flexible and short-term oriented employment relationship; there is no intention to provide and maintain long-term employment. The company presents itself as a career 'springboard' for workers and builds its reputation on the skills training offered to new recruits. It normalises employees quitting by encouraging workers to 'graduate' from training and pursue other opportunities. The whole management system is designed for new, young workers that, to a certain extent, forces relatively older, more experienced and skilled workers to leave and makes the labour force more mobile. From the workers' perspective, few of them stay in

the firm for a long time, never mind the life-time employment historically common under earlier forms of paternalism. Workers are used to the notion of job-hopping and, therefore, instead of stabilising the labour force and lengthening service as with centripetal paternalism, centrifugal paternalism features a more dynamic and mobile workforce with the company 'returning' their employees to the labour market.

In this study, we take a comprehensive view of paternalism, studying it as a management regime that emerges within and is embedded in the specifics of the socio-political context. Such a comprehensive view is consistent with how paternalism has been researched in the literature (Ackers, 1998; Burawoy, 1985). It has been argued that paternalism represents either a transitional form of management regime from pre-industrial to industrial society (Burawoy, 1985), or a counteraction to the ascendant marketisation and casualisation of employment as part of the Polanyi 'double movement' (see Kalleberg, 2009). However, *centrifugal* paternalism presents a form of contemporary management regime that accommodates the needs of flexible employment and production. It also speaks to the individual employee, consistent with the atomising nature of neoliberalism. Rather than long-term job security, centrifugal paternalism is centred on the importance of personal development and achievements. While there is attention to workers' physical and psychological wellbeing, more emphasis is given to developing their personal skills and knowledge, motivating them to do better, and 'move on'. In TypingKids, workers were strongly advised not to pay much attention to material reward (i.e. pay and benefits) in job-seeking but to prioritise learning opportunities and skills training. Accordingly, it was widely held that good employers are those providing employees with learning and career opportunities, even if their levels of wages and benefits are basic.

What are the social and institutional factors that give rise to and sustain the centrifugal paternalism found in TypingKids? First and foremost, the social composition of the labour markets to be found in China's industrialising urban centres (and thus of TypingKids' workforce) plays a vital role in shaping the management regime. This is an important feature in previous analyses of the development of paternalism, but there are variations in the details. In the historical western context, it has been argued that the greater presence of female and immigrant workers contributed to the rise of paternalism (Meyer, 1985). In the case of TypingKids, however, most significant in the rise of this particular form of paternalism is that the workforce is primarily made up of young, second-generation, rural-to-urban migrant workers. These workers lack identification with and experience of working and living in urban cities. Yet, realising the lack of opportunity in their rural home, they are determined to seek a way to stay in the city and pursue a successful career. Speaking to both the fears and the desires of this group of migrant workers, the essence of paternalism in TypingKids is its view of the migrant workers as children to be cared for and socialised to the social and cultural norms of urban society.

Second, we suggest that it is the institutionalised, long-lasting rural-urban chasm in China that enables managers in TypingKids to claim authority based on their status and experience as urban residents. As Pun and Lu (2010) argued, China's industrialisation is accompanied by an *unfinished* proletarianisation of migrant labour. That is, while the Chinese authorities called on rural workers to work in the city, they did not want them to stay in the cities for extended periods. Therefore, even after 40 years of industrialisation, most migrant workers still have to constantly move between cities and rural families, failing to establish their urban citizenship and more permanent settlement. However, the

management of second-generation migrant workers at TypingKids is very different from that experienced by the first generation and appears to have avoided the resistance prompted by more authoritarian approaches that has been reported elsewhere (Qin et al., 2019). In this context, the paternalistic system claiming to help workers with their identification with, and successful life in, the city is attractive to newly arrived rural workers and fosters their commitment. It particularly addresses the desires of the second-generation migrants to develop skills, integrate in urban life and eventually claim a sense of belonging in the city. Here, we can see the *interaction* of the conditioning context and practical agency of management that is highlighted in multilevel model for contextualising HRM (Vincent et al., 2020).

Third, at the local level, the specific institutional context in Dalian City and the local BPO cluster play a significant role in supporting centrifugal paternalism. Unlike the first-tier Chinese cities with populations over five million such as Beijing, Shanghai and Shenzhen, where migrant workers are subject to the most stringent *hukou* administration and institutional discrimination (Chan, 2018), Dalian City, as a second-tier city, is one of the pioneers that has embarked on *hukou* reform. Since the 2000s, Dalian City has issued policies to open *hukou* restrictions and grant local urban *hukou* to migrant workers who meet the required skill, financial or employment requirements. Although those entry requirements were set high, the loosening up of the *hukou* administration gives migrant workers hope and belief that there are possibilities for them to claim urban citizenship and integrate into urban life if they follow the paternal instructions given by the management in TypingKids. The local government strategy focusing on developing BPO business with Japan and the associated opportunities to study in local technical schools allow migrants to undertake 'white-collar, office work' instead of the traditional 3D (dirty, demanding and dangerous) jobs that most migrant workers do in other cities. This suggests that centrifugal paternalism founded in Dalian may not be generalisable to the largest Chinese cities where there is no current prospect of reform of the *hukou* system. Furthermore, the aggregation of hundreds of BPO firms in the cluster requiring a similar set of data-input skills enables TypingKids to underpin its paternalistic systems through providing skills training that has wider local labour market currency.

Lastly, in Burawoy's (1985) accounts of factory regimes, he argues that a paternalistic form of production politics is most likely to emerge where workers are dependent on a given employer and are employed by a firm that enjoys a monopolistic economic position (as still evident in contemporary company towns; Moonesirust and Brown, 2021). In appearance, our case seems to contrast sharply with these conditions in that there are hundreds of BPO firms in the business cluster where TypingKids is located. However, it is important to note that although workers are not relying on TypingKids for job security, they do count on TypingKids for skills and training to pursue other job opportunities in the cluster. TypingKids is one of the oldest and most reputable firms in the cluster and provides comparatively more valuable and systematic skills training to workers. It is widely recognised that BPO workers trained by TypingKids are valued more highly in the local labour market. This dependence on skills development is then extended by the management in its claims to 'urbanise' workers and elevate them to a better standard of urban life, which matches well with the second-generation migrants' desire to pursue a successful career and life in the city.

Therefore, in TypingKids, the workers are most dependent on the company during the first period after they graduate from the technical schools. Once they are equipped with skills and experience, they are open to job opportunities available in the wider job market. The company regards itself as a career springboard and encourages workers to leave once they become 'independent'. In other words, whereas in centripetal paternalism the employers are actively involved in strengthening and deepening the level of worker dependence over time through their extensive involvement in workers' lives, work and community, the company in our case draws in an initially dependent workforce but gradually reduces worker dependence through their training, personal development practices, mentoring and guidance. This contrasting nature of dependence and the direction of the development of the relationship between employer and employee overtime is reflected in what we capture in the use of the terms 'centripetal paternalism' and 'centrifugal paternalism'; in previous examples, dependence is gradually strengthened drawing workers further into the organisation (the deepening relations of a 'family') whereas in this instance, dependence is gradually reduced as workers move outwards and towards their exit from the firm (graduating from 'school').

Conclusion and implication

The emergence of neoliberal market economies has given rise to increasing casualisation in employment practices, and to an increased reliance on temporary and agency workers. While bringing flexibility to the organisation, this can often result in high labour turnover, low employee commitment, and worsened management–employee relations. This study has shown how an organisation sought to develop a distinctive management regime to elicit commitment from workers while retaining flexibility in employment. We have theorised this management regime as a variation of paternalism, which we term 'centrifugal paternalism', and we have analysed the social, economic and political contexts in which it emerged and developed. In so doing, we respond to the concerns of scholars that current organisation theory is less well embedded in its societal contexts than was the case during its formative periods, with the result that much work appears to be trapped in a 'theory cave' and have very little to say about or to society (Hinings and Meyer, 2018; Vincent et al., 2020).

In identifying this new management regime – centrifugal paternalism – that has emerged in China during one of the greatest rural-to-urban migrations in history, we extend the well-established concept of paternalism and discuss how this distinctive new form of paternalism has developed in a specific contemporary societal setting. We find that the characteristics and needs of migrant workers during a period of place-based industrialisation played a critical role in the emergence of centrifugal paternalism. It is the migrant workers' desire to settle in urban cities and the institutional barriers (i.e. *hukou*) they face in doing so that enable the management to claim authority based on their status and experience as urban residents and develop a management system to help the workers adapt to the new urban cities. This context has similarities to the periods of industrialisation in the UK and the US that saw managers develop management regimes that prepared migrant (and immigrant) workers for industrial work and life.

Under centrifugal paternalism, the employer takes responsibility for preparing its employees to cope with the challenges presented in migrating from rural to urban society. Like previous forms, this form of paternalism also attempts to 'remake' employees and develop relational reciprocity, but in ways that are time-limited and place emphasis on individual development in an economic context that does not support long-term employment nor job security. In this sense, the pertinent social metaphor is not that of the family and parent-child relationship that characterises centripetal paternalism; centrifugal paternalism is better understood as the workplace as school with teacher–child relations that see the employer prepare the employee for 'graduation' to a future career elsewhere and into the wider urban world.

The case study presented is a specific example of how a management approach has been developed in a particular context of industrialisation involving second generation rural-to-urban migrant labour in China. Nonetheless, the evidence and theorisation presented here suggest that a contemporary manifestation of paternalism continues to be relevant despite economic changes that have eroded the prospects of permanent employment and job security. Moreover, our findings may have wider implications for management and employment under neoliberalism. It is true that China is somewhat unusual in that the migrant workforce is recruited domestically and is part of the dominant ethnic group. However, there are similarities between migrant workers in China and many precarious immigrant workers globally in terms of their needs to adapt to new work and life environments, to learn skills and to 'earn' long-term citizenship and settlement rights according to the requirements set by the country or city of destination. As firms increasingly recruit internationally and engage in helping their immigrant workers in integrating and settling in their new country/city, an approach of centrifugal paternalism may become an increasingly prevalent option. Given its emphasis on (re-)skilling and personal development, centrifugal paternalism, with firms acting as 'preparatory schools', could also be relevant to workers who lose out under the pressures of globalisation (e.g. blue-collar workers in the US 'rust-belt') and those whose jobs might be displaced by technological changes (such as the introduction of robots or artificial intelligence) or market transformations in the future. Whatever the wider relevance of centrifugal paternalism proves to be, a research approach that combines a sensitivity to workers' roles and experiences, locating these within the specific workplace relationships between managers and employees, and interprets these within the social structural context of such contemporary developments should remain prominent in future analyses.

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Note

1   This pseudonym was chosen because managers refer to BPO workers as "kids"—a phenomenon we discuss later. The real name of the firm has no reference to kids.

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