Multidisciplinary
SCIENTIFIC JOURNAL
OF MARITIME RESEARCH

University of Rijeka
FACULTY OF MARITIME STUDIES

Multidisciplinarni
znanstveni časopis
POMORSTVO

The Changing Maritime Industry Sector in Poland: Organizational Field and Organizational Culture

Agnieszka Kołodziej-Durnaś

University of Szczecin, Institute of Sociology, ul.Krakowska 71-79, 71-017 Szczecin, Poland, e-mail: Agnieszka.Kolodziej-Durnas@usz.edu.pl

ABSTRACT

This article outlines the transformations in the maritime industry sector in Poland from the perspective of organizational sociology and maritime sociology. The author attempts to analyze the main tendencies of changes occurring in the Polish maritime economy in the recent decades, and special attention is paid to the phenomena of organizational field and organizational culture. The research results are based on the analysis of documents, literature, and interviews (IDIs). Whereas the situation of the Polish maritime industry during the communist regime is briefly described as the background for further considerations, the author focuses more on the last thirty years of Polish transformation (triggered by the Round Table talks in 1989) and the fifteen years of Poland's membership in the European Union.

1 Introduction

After the Second World War, the maritime industry became a significant sector of a new national economy. It also served as an ideological tool to support the new communist system introduced in Poland, as it legitimized the "recovery" of Western Territories and extended access to the Baltic Sea.

During almost half a century, maritime professionals were given high importance in the society and the maritime industry was treated as a national treasure. After the collapse of the socialist political and economic system in 1989, both maritime workers and companies lost their high position in the social structure.

In this paper, the author analyzes the changing situation of the maritime industry sector in Poland from the perspective of two concepts: organizational field and organizational culture. Organizational field as defined by DiMaggio and Powell [8] refers to organizations that together constitute recognizable areas of institutionalized life: key suppliers, consumers, control agencies, and competition. Organizational culture as a very broad and differently defined concept is presented here from the perspective of dimensions referred to, among others, by Lidia Zbiegień-Maciąg [30] and Kim Cameron and Robert Quinn's [6] model of competing values and the matrix of two dimensions resulting in four types of cultures. Using the two concepts of organizational sociology as well as using the perspective of maritime sociology, the author shows how the maritime industry sector underwent transformation through almost half a century of communism, three decades of democracy and free-market economy as well as over fifteen years after joining the European Union.

Polish maritime sociology has been developed since over half a century [23]. Initially, it was supported by the socialist authorities to justify the recovery of the western parts of Poland at the cost of the loss of its eastern parts, and this was the result of the new order established after the Second World War. Sociologists were to conduct research in Pomerania areas to indirectly popularize maritime profession so that young people were more willing to pursue their education and career in this field. There was an urgent need for fishermen, seamen, and shipyard workers to develop the maritime branch of economy.

For this purpose, sociologists and teachers were asked to construct and monitor the introduction of maritime upbringing and maritime culture programs [14]. Maritime sociology in Poland faced crisis similarly to the Polish maritime industry during the two decades of the transformation period (1989–2009), but during the last decade, Polish sociologists introduced the sessions of this subdiscipline to the European Sociological Association congresses (Lisbon 2009, Geneve 2011, Torino 2013, Prague 2015, Manchester 2019) as well as to the national sociology congresses in Poland (Szczecin 2013, Gdansk 2016, Wrocław 2019) and Germany (Trier 2015). In the recent decades, the changing conditions of the maritime economy workers have been increasingly frequently analyzed not only by logisticians, safety specialists (in terms of both individual safety and the protection of maritime interests [25]), and economists [2], [4], [12] but also by sociologists [13], [15], [16].

2 Historical Background

As described in an article on the origins and development of maritime sociology [5], seaside communities and sea professionals were exposed to major changes in the maritime industry after the collapse of the communist system in this part of Europe at the threshold of the nineties, which are as follows:

– macroeconomic changes in the maritime economy: free market economy rules and private ownership were introduced

– changes in the labor market – shortage of officers as well as overproduction of ordinary seamen and crew members (although Poland is still perceived as a place that gives highly professional education to officers)

– the collapse of maritime economy – many shipping, shipyard, and dock companies closed down

– open borders and traveling barriers lifted – attraction toward fishing and maritime professions decreased

– changes in social life – democratization, civil society, individualist culture, and urban movements

– global labor market and multicultural labor milieu

Zygmunt Sójka [24], even before the collapse of the communism in the Eastern and Central Europe countries, made predictions about the close adjustment of the maritime economy sector to free-market economy regulations (including demonopolization of production, trade, and services in port companies; establishing private companies; and restructuring state-owned companies into joint-stock companies or limited liability companies, which resulted in lesser state care for workers). He also emphasized self-ruling of companies in the maritime industry. Sójka postulated the integration and strengthening of co-operative ties between shipyards and their suppliers and other members of surrounding and shipyards' adaptation to the changing conditions of its functioning.

After 1989, cooperation with the soviet-bloc countries was reducing and cooperation with the Western countries was growing – certain changes in mentality were gradually being noticed (more individualist, pro-transactional, and monochromatic [10] culture with more attention to ecological issues).

Franciszek Gronowski [11] stated that after 1989, the free-market economy rules (even neo-liberal radicalism) were favored with no maritime state policy, and because of that, we may speak about the crisis or even collapse of Polish maritime economy; Polish central authorities, ministries, and offices seem to be very weak, as they do not support bottom-up maritime initiatives. Privatization; commercialization; and organizational, financial, and employment restructuring – all these phenomena have changed radically the state of the Polish maritime economy sector and constituted challenges in the emerging new organizational field also from the point of view of the national interests [28].

The period referred in this paper covers the time since the end of the Second World War. This may be divided into some major sub-periods:

I: 1945–1989: larger sea line, communist regime, centrally planned economy

II: 1989–2004: transformation, democracy, introduction of free-market economy rules

III: 2004–2019: the first fifteen years of Poland as the EU member state

The major socio-political changes during the three periods are as follows:

I: larger access to sea, "recovered" Western territories (Western Pomerania, Lower Silesia, etc.), development of the maritime industry to "produce" workplaces for workers and justify the ideology of regained lands as well as the communist ideology of the ruling role of the working class in the socialist society

II: collapse of companies in the maritime industry as well as those of other branches, reduction in the number of workers, privatization, organizational and financial restructuring, and introduction of the professional management in the state-owned companies

III: adjustment to the EU regulations (quotas in fishing, unacceptable public help – Szczecin shipyard closed down), modernization of maritime infrastructure and companies by means of co-financing from the EU.

3 Changes within the Maritime Industry: Some Quantitative Remarks

Since the end of the Second World War, communist authorities in Poland developed the national economy with a special role of heavy industry. Many huge state-owned companies were also established to "create" jobs and thus the working class.

In the seventies, as reported by George Blazyca [3], in Poland, more than 80% of the people were employed in very large plants and enterprises (more than 500 employ-

ees), whereas in other places, e.g., in Denmark, only 38%; in France, 57%; and in the Netherlands, 44%.

One may observe the transformations in the Polish maritime economy after the anticommunist breakthrough by analyzing the following data with the corresponding year (source: Statistical Yearbooks of Maritime Economy issued by Statistics Poland) [29]:

- Polish deep-sea fishing, in thousand tonnes: in 1990: 320; in 2006: 21; in 2014: 50
- Polish Baltic fishing: in 1990: 110; in 2007: 107; in 2014: 120
- Fishing boats in Poland: in 2004: 1248; in 2012: 787; in 2014: 873
- Vessels of transport fleet: in 2003: 116 vessels out of a total of 2360 th. dwt; in 2014: 104 vessels out of a total of 2721 th. dwt
- Cargoes of sea fleet: in 2003: 25435 th. tonnes; in 2014: 6780 th. tonnes
- Passengers of sea fleet: in 2003: 526 th. persons; in 2014: 611 th. persons
- Production of vessels: in 2003: 14; 2014: 8

4 Changes within the Maritime Industry: Qualitative Look at the Polish Transformation

Polish transformational changes can also be observed from the qualitative point of view when researchers stop asking questions about the scale but try to show how some mechanisms develop and explain why some phenomena occur.

The changes in postcommunist countries have much in common – state-owned big companies collapsed or were privatized. However, sociologists still do not agree whether these changes were the results of the transformation of mentality of this part of Europe's inhabitants or the causes of them.

Some indicate that there was a cultural split in huge state-owned companies: economic and political sides. The central authorities seemed as an overprotective parent and were overintrusive; there was always the "second bottom" – political meaning suspected in everything, which made rational economic thinking impossible.

Others mention that during transition, "adaptation to market principles is hampered by old cultural mind frames" (cultural "lag") [17]. Other authors claim that the transformation occurred "from below" [9], [27], but studies have shown that the restructuring processes were stimulated by the perspective of the integration with the European Union [7].

Regarding the maritime branch, the growing competition (e.g., from German ports) and passive state policy [26] made it difficult to operate for Polish ports.

On the other hand, a shift from maritime production toward maritime services (especially tourism) is observed [19], which means opening the space of ports and at the same time changing the mentality of maritime communities' members.

For a closer look, the author of this article conducted six IDIs in summer 2018 with former workers of companies of the Polish maritime industry (shipyards). All the statements cited in the following parts devoted to organizational field and organizational culture come from this research project.

5 Organizational Field

Organizational field as defined by DiMaggio and Powell [8] refers to organizations that together constitute recognizable areas of institutionalized life: key suppliers, consumers, control agencies, and competition; the Bourdieu's social field [21] might have been to some extent an inspiration in conceptualizing 'organizational field'.

The field is structured by the following processes: growth in the range of interactions between organizations, emergence of dominant structures and standards of coalition creation, growth of information, and development of mutual knowledge.

Since two or three decades now, particularly in Europe, some academics and politicians have popularized the idea of postmaterial values and the utopia of deindustrialization. Such a climate together with the processes of sometimes criminal privatization in Poland and Central and Eastern Europe (some companies were purposely led to the state of a close bankruptcy to sell them at extremely low cost to the foreign competition and then simply closed down) led to the deconstruction of organizational fields in many branches of economy.

During communism, organizational field of the maritime industry was controlled and "organized" by central authorities. After communism, it was more spontaneously created and composed by new actors from behind the Iron Curtain.

Large companies were often broken into small ones – each responsible for the separate part of the production (previously, e.g., supplying function was performed by the state-owned company itself (outsourcing and thus multiplication of organizational field actors were possible because of information technology revolution)). Smaller companies were more exposed to acquisition by foreign capital.

"there was a holding established…and taking over the ship-yards assets started… one day I manage 30 people and some machines, on the next day I am told that I lease these machines from some limited liability company… (…) the ship-yard assets was simply transferred to companies which were established 'around' the ship-yard" (Interviewee 6)

In the second decade of the new millennium, the gradual degradation of the Polish maritime economy started to

decelerate and some positive signs of developing strong and functional organizational field in the maritime branch were observed. Szczecin Shipyard, which was closed down in 2009 (then employing 4500 workers), is being gradually revived since 2016 and produces small vessels. In 2015, the first Polish LNG terminal was opened in Świnoujście. The biggest Polish sea transport company Polsteam, earlier led almost to bankruptcy, was financially restructured and repaired in 2017 and now is expanding its fleet again. Additionally, the fairway to North Port in Gdansk will be widened from 350 m to 600 m and deepened from 17 m to 18 m. The fairway between Świnoujście and Szczecin will be deepened from 9.5 m to 12.5 m until the year 2022, which will make this port complex much more competitive. Moreover, the ferry transport between two major Baltic islands – Uznam and Wolin (the first one is divided between Poland and Germany) – is to be replaced by the tunnel under the channel in a few years. The plan to dig a canal in the Vistula Spit is prepared and first works have already been started. Last but not least, the Three-Sea Initiative may become the path to gradual construction of transnational regional organizational field for the maritime economy of Central Europe.

6 Organizational Culture

Organizational culture may be defined as a set of patterns of shared basic assumptions learned by a group, as it solves its problems of external adaptation and internal integration (…). A product of joint learning [22] is both stimulated by the management and spontaneously created by the subordinates.

Organizational culture "emerges" from the interplay of national culture, branch culture, history and size of the organization, and the influence of outstanding individuals.

Between the years 1945 and 2015, the organizational culture of maritime industry was changing because many factors influencing it were exposed to major transformations: change in the political and economic system, changes in the branch itself, restructuring of the companies in the maritime industry, transformation of Poles' mentality, the "import" of managers and culture of work from Western countries. Privatization of many companies in the maritime sector as a very important process during the transition period [18] influenced the changes not only in these organizations but also in the whole branch's organizational culture.

The author of this study claims that during the transition period (roughly speaking the first two decades after the collapse of the communist system, i.e., 1989–2009), one may observe that the following changes associated with Polish labor ethos and the organizational culture of Polish companies took place:

– from collective culture of workers to individual culture of highly educated professionals, many of them were freelancers (from so-called introvert to extravert cul-

ture). The relations of mutual interdependence, which, for example, meant collective creating of meta-norms (e.g., the proper – not too fast – pace of work), was changed into the work environment of individual, separate workers.

"I preferred to work before 1989 in Szczecin ship-yard, although I earned more money after 1989. Before there was no such pressure, and then everybody watched each whether everybody works hard in order to do what was needed on time. There was not a community of workers anymore" (Interviewee 5)

– from collective culture of a thick net of human interactions to individualist culture of "interactions" with technology. This trend of the changes is associated with the first one mentioned above: workers ceased to communicate intensively with each other (that is why in the new millennium, the number of trade union members is much lower than that in the times of early eighties' Solidarity with almost 10 million members), which makes it difficult to express any collective opinion, manifest workers' unity, etc. In particular, information and communication technology made an increasing number of workplaces redundant, which resulted in worsened interpersonal relations.

"during communist times there was a rule that everybody must be employed (…) that is why in our shipyard they thrusted many workers wherever it was possible (…) and for example in the warehouse after this anti-communist revolution only one worker replaced three or four who previously worked there" (Interviewee 1)

"after 1989 the interpersonal relations were getting worse and worse, people became more aggressive, they did not trust each other" (interviewee 4)

"after 1989 young workers created small separate groups as if we were some competition for them" (interviewee 2)

"after the first collapse of the ship-yard in 2002 not everybody was re-employed, only proper, healthy and professional people, and the number of office workers were reduced… some previous ship-yard workers even committed suicide when they knew they would not be employed there again" (Interviewee 2)

"after the ship-yard was privatised suddenly there were 50 directors, because many companies were established and the communication was difficult" (Interviewee 3)

– from closed culture of the socialist system to open culture of multicultural milieu. During communist times, Polish seamen, fishermen, dockers, and other maritime economy companies' employees had few chances to work with foreigners from Western countries—usually they worked only with other Poles or workers coming from the Soviet Union's republics. After 1989, the labor environment of Polish maritime industry workers ex-

panded, and they had more opportunities to operate in multicultural crews.

– from one model of state-owned company culture to variety, diversity, and plurality of organizational cultures. In the period of Polish People's Republic, one could easily predict the climate and culture of companies of the maritime industry, as all the branches were state-owned. After the collapse of the communist system, many new forms of doing business were established and developed. The companies started to differ in their organizational cultures due to foreign capital and foreign managers, new technologies, and different approaches to productivity or to the employees' competences.

"now it should be very much synchronized in order to everybody had to do, material like steel should be transported on time, many organizations have to work together to build a ship, they can do in in Japan and Korea, it may be done" (Interviewee 5)

"after we joined the UE they started to demand much more from workers, they were to learn 'European' standards, ISO9000 was introduced but we did not needed it and not benefited from it" (Interviewee 4)

"the worst day of my career in the ship-yard was the last one, when the ship-yard was closed down... I had to give back all the tools, uniform, boots, after so many years we were treated like rubbish..." (Interviewee 4)

"after 1989 many daughter-companies were established in the ship-yard, the ship-yard was getting a credit and invested in these daughter-companies, they were granted new machines and tools and mothership-yard had to pay back the credits and then the government stated that ship-yards are not productive" (Interviewee 4)

In addition to these general changes, some cultural transformations occurred in the branch of maritime economy:

– from being a special place employing workers having access to foreign goods to being special because of working in multicultural milieu and working for a foreign employer

– from strong culture of big state-owned companies to weak culture of smaller private and unstable, "not protected" companies

– from clan and hierarchy to adhocracy and market culture [6]. The role of connections between acquaintances in a company was reduced, and the rigidity of the top-down communication was lifted by aiming to create a network of cooperating professionals.

7 Conclusion

The processes of restructuring and privatization of shipyards occurred in many countries. In Fiji, for exam-
ple, the transformation of the ownership failed and led to the re-nationalization of a ship-building company [20]. In Croatia, these processes were assessed positively, although they were forced by the EU accession conditions and led to the reduction of the employed workers by 25% [1].

After the end of the Second World War, Poland underwent deep social and economic transformations. Regarding the maritime sector, first, it had to be built from scratch. Then, it could not be developed sufficiently, as it was the part of the centrally planned economy. During the democratic transition period, some of its parts became more competitive and profitable, but some were destroyed or considerably weakened. In modern societies, changes are of course inevitable. Being the part of a global economy and especially the European Union common market may bring many benefits. However, the benefits should be defined not only in the categories of profits for the strongest companies but also in terms of possibilities of development for countries, local communities, and individuals, as they all constitute the actors in the social game.

References

[1] Bajo A., Primorac M., Hanich M., 2016, The restructuring and privatisation of the shipyards in Croatia, Fiscus No2/ March 2016, Institute of Public Finance: Zagreb.

[2] Bernacki D., 2014, Labour Market Developments In The Maritime Industry of the South Baltic Region, Comparative Economic Research, vol. 17, no 1, pp. 129-143.

[3] Blazyca G., 1980, Industrial Structure and the Economic Problems of Industry in a Centrally Planned Economy: The Polish Case, The Journal of Industrial Economics, vol. XXVII, no. 3, p. 313-326.

[4] Brózda Joanna, 2006, Polski przemysł okrętowy. Stan aktualny I główne determinant rozwoju, WNUS: Szczecin.

[5] Bryniewicz W., Kołodziej-Durnaś A., Stasieniuk Ż., 2010, The Origins of Maritime Sociology and Trends of Its Development, Roczniki Socjologii Morskiej/Annuals of Maritime Sociology, vol. XIX, p. 121-132.

[6] Cameron K., Quinn R., 2003/1998, Kultura organizacyjna – diagnoza i zmiana. Model wartości konkurujących, Oficyna Ekonomiczna: Kraków.

[7] Cottam H., Roe M., 2004, The Impact of Transitional Changes on Maritime Transport in Central and Eastern Europe, Maritime Policy and Management, vol.31, iss. 4., pp. 287-308.

[8] DiMaggio P.J., Powell W.W., 2006/1983, Nowe spojrzenie na żelazną klatkę: instytucjonalny izomorfizm i racjonalność zbiorowa w polach organizacyjnych, (w:) Aleksandra Jasińska-Kania, Lech M. Nijakowski, Jerzy Szacki, Marek Ziółkowski, wyb. i opr., Współczesne teorie socjologiczne, t.1, Warszawa: Wydawnictwo Naukowe Scholar, s. 600-612.

[9] Dunn E., 2004, Privatising Poland – Baby Food, Big Business and the Remaking of Labour, Cornell University Press.

[10] Gesteland R. R. 1999. Cross-Cultural Business Behaviour. Marketing, Negotiating and Managing Across Cultures, Copenhagen Business School Press.

[11] Gronowski F., 1999, Morska racja stanu, w: Morze elementem polskiej racji stanu. Konferencja naukowa, (red.) Andrzej Bałaban et al., 1999, Szczecin, s. 7-9.

[12] Kłusewicz J, 1997, Podaż i popyt marynarzy na światowym rynku pracy oraz ich wpływ na zatrudnienie polskich marynarzy, in: Problemy społeczne ludzi morza w okresie transformacji ustrojowej w Polsce, Wydawnictwa Instytutu Bałtyckiego: Gdańsk.

[13] Kołodziej A., Kołodziej-Durnaś A., 2015. Diversity and Social Trust – Polish Seafarers in Multicultural Crews, European Societies, vol.17, no2/2015, p. 158-175, ISSN: 1461-6696.

[14] Kołodziej-Durnaś A., Kołodziej A. The Idea of Maritime Upbringing in Poland – the Tradition and Contemporary Manifestations, Przegląd Zachodniopomorski 2017, zeszyt 4, s. 219-233.

[15] Kołodziej A., Kołodziej-Durnaś A., 2018. Labour Millieu of Merchant Seamen's Crews – Economization versus Human Relations, Transformations in Business & Economics, vol. 17, no 1 (43), 2018, pp. 64-82.

[16] Kołodziej A., Shin-ock Ch., Kołodziej-Durnaś A., The Social Position of Fishers: South Korea and Poland Compared; Roczniki Socjologii Morskiej no XXIV/2015, s. 47-58.

[17] Kostera M., Wicha M., 1996, The 'Divided Self' of Polish State-owned Enterprises: The Culture of Organizing, Organization Studies, 17/1, p. 83-105.

[18] Krajewska Anna, 1996, Transformation of the Polish Economy, Eastern European Economics, January-February, p. 5-20.

[19] Miotke-Dzięgiel Joanna, 2007, Ports in Development of Maritime Tourism. Problems and Challenges – The Case of Pomeranian Region, Tourism and Hospitality Management, vol.13, no.2, p. 483-492.

[20] Narayan, J. J. (2005) Privatisation of the government shipyard and public slipways – some lessons. Fijian Studies: A Journal of Contemporary Fiji, 3 (1). pp. 35-56.

[21] Pawlak M., Srokowski Ł., 2014, Instytucje i organizacje. Przekraczanie paradygmatów w badaniach nad organizacjami, w: Pomiędzy i wewnątrz. Instytucje, organizacje i ich działania, (red.) Pawlak Mikołaj, Srokowski Łukasz, IPSiR UW: Warszawa

[22] Schein E.H. 1990, Organizational Culture, American Psychologist vol. 45, no. 2, pp. 109-119.

[23] Sowa F., Kołodziej-Durnaś, A., A Short Introductory Note on Maritime Sociology, Routinen der Krise – Krise der Routinen. Verhandlungen der Kongresse der Deutschen Gesellschaft für Soziologie in Trier 2014, (Stephan Lassenig Hg. 2015, , s. 1564-1570).

[24] Sójka Z., 1987, Dziedziny koncentracji badań podejmowanych do 1990r. w zakresie przemian strukturalnych i rozwoju gospodarki morskiej, Gdańsk.

[25] Sunko T., Komadina P., Mihanović L., Organizational structure and analysis of the contribution of the Coast Guard of the Republic of Croatia to maritime safety on the Adriatic Sea, Scientific Journal of Maritime Research 32 (2018) 312-319.

[26] Taylor Z., 2004, Recent Changes in Polish Transport Policy, Transport Reviews, vol. 24, no.1, p. 19-32.

[27] Wegenschimmel P., 2016, Transforming workplaces in Polish Shipbuilding. A note on maritime sociology considering the Great Transformation of the sea industry, Roczniki Socjologii Morskiej. Annals of Marine Sociology (2016), vol. XXV, p. 4-11.

[28] Morze elementem polskiej racji stanu. Konferencja naukowa, (red.) Andrzej Bałaban et alia, 1999, Szczecin.

[29] Statistical Yearbooks of Maritime Economy issued by Statistics Poland.

[30] Zbiegień-Maciąg L. (2008), Kultura w organizacji. Identyfikacja kultury znanych firm, Wydawnictwo Naukowe PWN: Warszawa.