

Mediating Business:
The Expansion
of Business Journalism

Peter Kjær & Tore Slaatta (Editors)

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List of Contributors

Antti Ainamo (PhD, Helsinki School of Economics 1996) is Professor of Innovation, Technology and Science policy at the University of Turku. His research interests include: design, fashion, media and, more generally, knowledge intermediation, as well as new and strategic forms of organization. His publications include articles in *Organization Science*, *Research in the Sociology of Organizations*, and *Human Relations*. He also edited *Handbook of Service and Product Development in Communication and Information Technology* (Kluwer Academic Publishers 2003, with T. Korhonen).

Svein Ivar Angell (Dr. art., University of Bergen 2002) is a historian and researcher at the Stein Rokkan Center for Social Research, University of Bergen. His research interests include: Strategic communication in public institutions presently and historically, political history and national identity. He has published several books and articles on these topics, e.g. in *Scandinavian Journal of History*. Currently he is working on a research project on strategic communication in the Norwegian hospital sector.

Haldor Byrkjeflot (PhD, University of Bergen 1998) is a senior researcher at the Stein Rokkan Center for Interdisciplinary Research, University of Bergen. He has done comparative research on healthcare reforms, management systems, business schools and organization of knowledge production and is currently involved in projects on strategic communication in public sector organizations. His publications include Byrkjeflot H. et al. (eds.) *The Democratic Challenge to Capitalism. Management and Democracy in the Nordic Countries* (Fakbokforlaget 2001) as well as articles in *Higher Education* and in Engwall, L. and Sahlin-Anderson, K. (eds.) *The Expansion of Management Knowledge: Carriers, Flows and Sources* (2002).

Lars Engwall is Professor of Business Administration at Uppsala University since 1981. He has also held visiting positions in Belgium, France and the United States. His research has been directed towards structural analyses of industries and organizations as well as the creation and diffusion of management knowledge. He has published a number of books and a large number of articles within the field of management. Among his books related to the present volume are *Management Consulting: The Emergence and Dynamics of A Knowl-*

edge Industry (Oxford University Press, 2002, co-editor Matthias Kipping), and *The Expansion of Management Knowledge. Carriers, Flows and Sources* (Stanford Business Books, 2002, co-editor Kerstin Sahlin-Andersson).

Niina Erkama is a doctoral candidate in the Department of International Business at the Helsinki School of Economics. At the moment she is finalizing her doctoral thesis. Her research interests include: organizational restructuring, shutdowns, in particular legitimation and resistance in organizational settings and in the media. She has previously published in *The Finnish Journal of Business Economics*.

Maria Grafström (PhD, Uppsala University, 2006) is a researcher and lecturer at Uppsala University's Department of Business Studies. Her main research interests concern the relationship between media and corporations and how media participate in creating conditions for corporations. More specifically, she has studied the development and organisation of business newspapers, content and production of business news, and how management models, such as CSR, are created and spread via the media. Maria has published several book chapters and reports within the area.

Peter Kjær (PhD, Stockholm University, 1996) is Associate Professor in the Department of Organization at the Copenhagen Business School. His research interests include: business journalism, management knowledge and institutions, and strategic communication. He has published articles in *Journal of Economic Issues*, *Scandinavian Journal of Management*, and *Business History*, and has also written a number of book chapters on these topics. In 2001-2006 he directed the research project "The Rise of the Nordic Business Press". In 2003-2007 he participated in the Danish media research project "PRO-Media". Currently he is Director of the Center for Health Management at the Copenhagen Business School.

Josef Pallas is a PhD-candidate at the Department of Business Studies at Uppsala University. His research interests include corporate media and public communication, business journalism, and organizational perspectives on the production of media content. His upcoming thesis investigates corporate media activities involved in co-creating and co-shaping of institutional settings.

Annette Risberg (PhD, Lund University, 1999) is Associate Professor in the Department of Intercultural Communication and Management at the Copenhagen Business School. In recent years she has focused her research interests on media discourses and the expansion of the media industry, mergers and acquisitions as well as diversity in organisations. She has, for example, published in *Journal of World Business, Culture and Organisations*, and various book chapters in these topics. In 2003 – 2007 Annette was part of the Danish media research project “PRO-Media”.

Kerstin Sahlin is Professor of management at Uppsala University. Her research interests include: transnational governance, corporate social responsibility and changes in public-private relations, changed forms of governance in health care and universities, organizing in the mediated society and the travels of management ideas. She recently edited *Transnational Governance: Institutional Dynamics of Regulation* (Cambridge University Press 2006, with Marie-Laure Djelic), *The Expansion of Management Knowledge: Carriers, Flows and Sources* (Stanford University Press 2002, with Lars Engwall) and *Beyond Project Management: New Perspectives on the temporary-permanent dilemma* (Liber 2002, with Anders Söderholm). Currently she is the deputy vice-chancellor of Uppsala University.

Tore Slaatta (Dr. Polit., University of Oslo, 1998) is Professor in the Department of Media and Communication at the University of Oslo and writes about issues related to European culture and media, the relationship between the economic field and journalism, EU journalism, cultural policies, urban development, design, art and architecture. Slaatta was responsible for the media research in the Norwegian Research Program on Power and Democracy (1998-2003) and director of the research project "Symbolic Power in the Economic and the Political fields", published in *Den norske medieorden (The Norwegian Media Order)* (2003) and *Digital makt (Digital Power)* (2002).

Janne Tienari (PhD, Helsinki School of Economics, 1999) is Professor of Management and Organizations at Lappeenranta University of Technology, Finland, and the Editor of the *Scandinavian Journal of Management*. Tienari's research interests include managing multinational corporations, cross-cultural studies of gender and organizing, and media discourse. He has published in leading international journals such as *Organization, Organization Studies, Journal of Management*

Studies, Gender, Work and Organization, British Journal of Management, Human Relations, Journal of Management Inquiry, and the International Journal of Human Resource Management.

Eero Vaara (PhD, Helsinki School of Economics, 1999) is Professor of Management and Organization at Swedish School of Economics and Business Administration in Helsinki, Finland, and a permanent Visiting Professor at Ecole de Management de Lyon, France. His research interests focus on organizational change, strategy and strategizing, multinational corporations and globalization, and the role of the media in organizing and management. He has lately worked especially on narrative and discursive perspectives. His work has been published in leading academic journals such as *Organization, Organization Studies, Journal of Management Studies, Gender, Work and Organization, British Journal of Management, Human Relations, Journal of Management Inquiry, and the International Journal of Human Resource Management.*

Preface

In this book we analyze the expansion of business news and the way in which this has transformed the relations between media, business and public discourse in the Nordic countries.

The idea for the book emerged from a conference held in Barcelona in December 2000, where the role of mass media in the consumption of management knowledge was discussed. At the conference it became clear – particularly to a group of Nordic participants – that business knowledge was being increasingly “mediated” i.e. more dependent on being communicated via newspapers, business magazines and other mass media outlets. This mediation of business and management knowledge was associated with an unprecedented expansion of business news that had begun during the 1960s and 1970s but that had remained virtually unnoticed in both media and management studies.

Immediately after the conference we established a joint research project entitled “The Rise of the Nordic Business Press” with the idea of mapping what we regarded as a significant innovative phase in the history of the business press in the Nordic countries. Our first discussions concentrated primarily on historical trends in news content, media organization and journalism in the individual countries. However, as the project evolved, we became increasingly interested in the wider implications of the expansion of business news: how did it alter relations between journalists and business sources, what were the organizational consequences of growing media coverage, how did the expansion of business journalism affect other fields of knowledge, and so on?

In the book we address these concerns by analyzing the expansion of business news in the national media landscapes of Denmark, Finland, Norway and Sweden, and by exploring some of its organizational and societal consequences.

In the course of the project we have received invaluable support from many people and organizations. We wish to thank *NOS-HS (The Joint Committee for Nordic Research Councils for the Humanities and the Social Sciences)* for sponsoring the project. We also wish to express our gratitude to Professor *Roy Langer* of Roskilde University, who helped us to launch the project and served as a constructive force throughout its execution. Further, we would like to acknowledge the valuable contributions of Guðbjörg Hildur Kolbeins and Hilmar Thor

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Copenhagen and Oslo, May 2007

Peter Kjær and Tore Slaatta

CHAPTER 1

Mediating Business Toward a Relational Perspective

PETER KJÆR & TORE SLAATTA

Today it seems quite natural that much of the news in our daily newspapers and on our televisions is concerned with business and finance, or that the 12 o'clock news on the radio should automatically include several stories about the financial statements of big companies or the latest developments on the national or international stock exchange. To inside market observers, the extensive media coverage of business and economy just mirrors what they understand as the increasing importance of economic affairs in our daily lives. For better or for worse, economic considerations have become a key factor in all kinds of decisions, private as well as public, and the news media's extensive monitoring of the economic sphere is therefore only natural.

However, the idea of the 'natural' importance of business news in Western, capitalist societies is a fairly recent phenomenon, and a critical look at the changing role of business news journalism is much needed. Over a period of only 30 - 40 years business news has been subject to expansion on a grand scale. The proportion of business news compared to other news in general news media has increased, new outlets for business information and news have appeared, and new technology has transformed the context for production, mediation and consumption of business news. To regard this expansion as a natural response to changes in the economy obscures its broader significance as part of wider social transformations that seem to take place simultaneously in different regions of the world.

This book analyzes the expansion of business news in the Nordic region in the period between 1960 and 2005. Although the changing role and power of the financial press and business journalism must be seen as a global phenomenon, we will argue that the Nordic context, characterized among other things by distinct conceptions of the relation between public and private, business and society, etc., provides us

with a particularly interesting case for analyzing the changing connections between business journalism, economic organization and public knowledge.

Like virtually all other capitalist economies, those of the Nordic countries have experienced a dramatic expansion in business news production over the last 20-30 years. A detailed study of the Nordic countries allows us to consider some of the basic patterns and dynamics involved in this general development of business news. At the same time, however, the expansion of business news represents a particularly complex challenge to the Nordic countries, where it is occurring in national contexts with relatively weak commercial mass media, highly developed awareness of social welfare and national economic policies, and economic institutions characterized by early internationalization and strong traditions of economic regulation.

Our approach to this transformation will be an *institutional* one, thus entailing an interest in the way concrete fields are regulated and organized, how particular positions, roles and activities are legitimized and how particular norms and worldviews become stabilized and taken for granted. We are interested in the way in which the expansion of business news transforms not only the institutional context of news production, but also the institutional context of the production of shared meaning and knowledge in society and the institutional context within which economic organizations operate today. How has a modern business press emerged, how does it relate to and affect the media context of which it is a part, how does it contribute to the production of economic and business knowledge in society, and how does it transform relations between business organizations and their surroundings?

The collection of articles in this book aims to describe the actors, institutions and dynamics involved in expansion of business as well as some of the implications of the process of expansion. While the chapters represent different theoretical and methodological points of departure, they all share an interest in institutional change observed in three basic dimensions:

In Part I (Chapters 2, 3 and 4), we particularly approach the expansion of business news in terms of a series of changes within and between national or regional *media orders*. Business news is mediated via a great variety of media platforms. Thus, fundamentally, expansion simply means more or larger platforms, or bigger circulation for business news. The concept of media order refers to the way in which the news media construct their own public communicative space, as well as the particular ways of disseminating information in a given society.

Issues to be considered include how business news has expanded in connection with particular technological platforms (print, audiovisual media, Internet), within particular positions or points of departure (general-interest or niche, internal or external, critical or supportive, etc.), and whether the expansion occurs within a national, regional or even a global media order. The expansion of business news does not refer only to particular media platforms, products or outlets. It also implies a transformation of the position of business journalists in the overall field of journalism because business journalism emerges as a distinct and legitimate sub-field of its own (Bourdieu 1993, Benson & Neveu 2005, Slaatta 2002).

In Part II (Chapters 5, 6 and 7), we approach the expansion of business news in terms of a reconfiguration of the *public knowledge and meaning* in society. News production can be seen as a discursive practice that frames public conceptions of social reality and social action while also drawing upon other forms of discourse in society. In this context business news can thus be analyzed in terms of its role as a particular way of framing public conceptions of economic reality and action (Emmison 1983, Parsons 1989, Fairclough 1995, Gavin (Ed.) 1998), and as an important locus for the production of social discourse.

In Part III (Chapters 8-11), we approach the expansion of business news in terms of *organizational change*, since the expansion of business news also transforms organizational environments as well as organizations as such. Economic organizations operate in complex technical and institutional environments. From the perspective of the economic organization, business news can be seen as relevant for the management of an organization's relations with key actors in the environment such as customers or suppliers, and as a source of information about the market or the society in which it operates (Pfeffer & Salancik 1978). In this context the expansion of business news entails an increase in the intensity and complexity of the environmental relations that affect the way organizations can influence their environments – for example by managing media relations and media visibility in particular ways – and, in turn, the way organizations are shaped by their environmental relations, for instance in their perceptions of themselves, of their roles in society or of their future potentials in the market.

The book thus represents three points of entry for empirical research: via the media orders, via public knowledge and meaning, and via economic organizations.

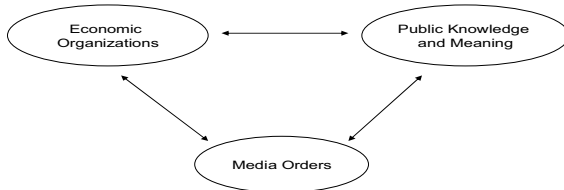


Figure 1.1 Empirical Points of Entry

Below, using these three points of entry, we briefly review earlier research on business news and show how the phenomenon of business news has been explored to date, and where we hope this collection of articles will make a contribution to the field.

Business News Research – a Field in the Making

The research literature on business news and business journalism is not voluminous, and most contributions in our view tend to emphasize one side of the business-media-discourse triangle, i.e. they approach business news either from the point of view of journalism or of public opinion and discourse, or from the point of view of business, management and organization. As will be clear, research that tries to connect all three approaches is rare.

In media and journalism studies two general types of analysis have been applied to the business press and business news. Scholars with a historical orientation have described the history of key business newspapers or magazines or the emergence of national business press systems. Their work includes studies of the early business press (Forsyth 1964), the development of the specialized business press (Endres 1988), the expansion of business and economy news on television (Mosettig 1985), the changing relationship between business media and the stock market (Quirt 1993), and the history of individual business news outlets (Rosenberg 1982, Read 1992, Reilly 1999). All these studies concentrate on the innovative role and early professionalization of the business journalist profession, especially in the United States. A number of scholars have analyzed the current status of business journalism. In such cases the emphasis is usually on the role of the press as a countervailing power in society, and it is argued that our first concern should be with the quality and professional standards of business journalism. Henriques (2000a) sees the press as ‘the last stand’ in a society that has become almost totally dominated by business. At the heart of the matter is the struggle for control or the negotiation of control over the production of meaning between journalists and their