Corporate policy documents: how boundary objects engage permanent peripheral participation

Kelly S. Petersen
Iowa State University
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Kelly Suzanne Petersen

Major Profession: Dorothy Winsor
Iowa State University

Corporate policy documents are traditionally viewed as documents that transmit beliefs and values as well as legally mandated content. I contend that corporate policy documents can also engage the recipient in situated learning, teaching the recipient what is valued as knowledge in the organization, particularly when the recipient is external to the organization. To determine the use of policy documents in situated learning, I undertook a qualitative study of a small manufacturing firm who used a policy to communicate with its nation-wide dealer network. Analysis of the policy determined that it behaved as a boundary object (Star, 1989) between the community of practice (Wenger, 1998; Lave and Wenger, 1991) at the firm under investigation and the individual dealers, forming a peripheral practice. Successful use of the policy document resulted in “shared repertoire” between the community of practice and the policy recipient (Wenger, 1998). When dealers engaged in this shared repertoire, they engaged in permanent peripheral participation. Creation and analysis of corporate policy documents should attend to the ways in which these documents encourage situated learning, improve peripheral practices, and transform the relationship between the policy generating corporations and the policy recipients.
Corporate policy documents:
How boundary objects engage permanent peripheral participation

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Kelly Suzanne Petersen

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Iowa State University

This is to certify that the master’s thesis of

Kelly Suzanne Petersen

has met the thesis requirements of Iowa State University

Signature redacted for privacy

Committee Member

Signature redacted for privacy

Committee Member

Signature redacted for privacy

Major Professor

For the Major Program

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Policy documents in the workplace

Corporate or organizational policy documents are usually created for important reasons: to meet specific legal statutes or guidelines, to codify intangible knowledge or behavioral practices, or to implement new behavioral or organizational practices. In addition, the literature from the business disciplines indicates that corporate policy is taken very seriously by organizations that count on the success of their policies (Aplbuam, 1999; Begley and Boyd, 2000; Haubrich, 1995; Page, 2000; Shields,1995) and by those people within the organizations who create the policy (Kropf, 1996; Napoli, 1999; Prechel, 1997; Shrivastava, 1986; Yanow, 1993). However, the reasons for creating a document and the way the document is actually used can be different. In fact, none of the research in the business discipline mentions whether the employees affected by a policy take it seriously. Undertaking research that assesses how the documents are used and institutionalized would provide professional communicators with valuable, and currently lacking, knowledge.

Generic conventions of policy documents

In addition to learning how policy documents are used in the workplace, professional communicators would benefit from understanding the generic conventions of policy documents, if any exist. Research on instructional documents, technical communication, and business communication has offered our field valuable insight about what makes these documents effective, often through understanding the conventions of these genres. Corporate policy documents are a kind of business communication, often on a technical (legal) subject, and can be intended as instructions for behavior or decision-making. However, the rhetorical purpose of corporate policy documents is often
different from instructional documents, technical writing, and business writing.

Unfortunately, our field has little understanding of this difference because no research has been conducted.

*User testing for policy documents*

Once professional communicators understand the generic conventions of policy documents and the ways these documents are used in the workplace, we will be able to investigate ways in which usability testing could be employed to improve these documents. Since policy documents are frequently used to present requirements, expectations, beliefs, or values, the user of the policy must be able to understand and respond to the policy information. User testing corporate policy documents is one way of assessing their effectiveness.

*Investigation at hand*

While research from the business disciplines has begun investigating corporate policy documents, it has not fully considered how these documents can mediate relationships between the corporation and the document recipient nor how the documents communicate cultural standards to the recipients. Additionally, research has assumed that policy recipients are members of the organization (employees, subsidiaries, divisions, etc.) and has not investigated how corporate policies are interpreted by the corporation and external stakeholders (dealerships, distributorships, etc.) In response to this gap, I undertook a qualitative study of policy documents at a company I call GymEquip

GymEquip, a gymnasium equipment manufacturing firm fairly typical of small, entrepreneurial companies, is based in a small Midwestern town. The president of
GymEquip is Adam Norris. In 1978, Norris began selling wrestling mats and mat storage systems for MatStore, Inc., who was the original manufacturer of mat storage systems, which are machines designed to store wrestling mats in the ceiling structure of gymnasiums. In 1982, Norris re-designed the mat storage system, bought the license from MatStore, Inc., and began selling the Mat Hoist™ system under Norris Mats, Inc. At this early stage, the company had no policy documents.

After a few years of selling both wrestling mats and mat hoists, Norris diversified his business into other gymnasium equipment (gym divider curtains, wall padding, gym floor covers, and indoor baseball batting cages). With this 1985 diversification came the birth of Norris Gymnasium Equipment, Inc., and the institution of the first dealer policy. The policy was created at that time because companies and sole proprietorships across the country wanted to sell the Norris Gymnasium Equipment, Inc. Mat Hoist™. Adam created the policy to establish regulations in the working relationship between his companies and these new dealers. Thus, the dealer network and Norris Gymnasium Equipment, Inc., and Norris Mats, Inc., sold gymnasium equipment and wrestling mats (respectively) from 1985 to 1996.

In 1996, Norris’s companies went through another major change: they merged to become GymEquip. The dealer policies that had existed in each organization were substantively revised at this time. Since 1996, GymEquip has sold gymnasium equipment and wrestling mats to dealers and institutes across the country and to military bases abroad.

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1 All names are pseudonyms.
In 2000, the version of the dealer policy being analyzed in this thesis was drafted as a response to a decision to classify equipment dealers as either Team 1 or Team 2. Company lore, heard before and during my observations, implied that dealer sales figures had dropped very low, except for a few star performers. Those star performers set the standard for the definition of Team 1 in the policy; all other dealers were classified as Team 2. Until this time, the dealers were not differentiated or classified in any way.

Because of the increasing importance of policy documents to GymEquip's revenue and operations, this company provided an excellent site to explore my research question:

How does corporate policy reflect, impact, or address the relationship between the company creating the policy and the policy recipient?

To address this question, I conducted interviews and completed observations at GymEquip focusing on two issues: corporate culture (which includes behaviors, beliefs, and idiosyncratic practices) and the revision process of GymEquip's dealer policy. At GymEquip, the need for and importance of the dealer network formed a central feature of their corporate culture and the dealer policy revision process offered an excellent way to understand the relationship between GymEquip and the dealer network. I also analyzed multiple drafts of the dealer policy document. I interpret these three categories of data (interviews, observations, and analysis of policy drafts) through the theoretical lens of

2 Months before the beginning of my observation, I was at GymEquip, working as a part-time technical writer. While I was at the office, I overheard the conversation where Adam, Mick, and Larry decided to name the dealers Team 1 and Team 2. The other terms under consideration were "dealer" and "representative." Hearing that conversation is what led me to begin research about the dealer policy at GymEquip. Although I have not included information from that conversation in my analysis here, my knowledge of it probably permeated multiple levels of this research.
one aspect of situated learning, which is the belief that learning occurs by what people actually do rather than only what they think.

My analysis indicates that at GymEquip, the policy documents act as boundary objects between the individual dealer companies and GymEquip. The dealer companies, who receive the policy, must use the document to make their interactions with GymEquip successful. These interactions, which I call peripheral practices, comprise the basis of the relationship between GymEquip and its dealer network. While a complete discussion of each of these terms ensues in Chapter 2, brief definitions follow.

Discussions of situated learning usually include three critical concepts: communities, objects, and actions. In situated learning as described by Lave and Wenger (1991), these concepts take on particular characteristics that illustrate how people learn through doing.

Community of practice (COP): a group of people who are joined together by their shared knowledge, which surfaces primarily in the practices or behaviors of the group.

Boundary object: an object that is used by and delineates the boundary between multiple communities of practice.

Legitimate peripheral participation (LPP): a process of gaining knowledge that focuses on acquiring the behaviors and practices of the community and ends in full participant status.

This approach to analyzing corporate policy documents at GymEquip enables me to understand how this company perpetuates its organizational practice and knowledge.

This theoretical lens opened new paths of analysis of policy documents. My analysis treats GymEquip's policy documents as instructions for its dealers, who are the external policy users. When the policy documents are instructions, they are boundary
objects between the users (the dealers) and the policy-creating organization (GymEquip), that I call the community of practice (COP).³ As the users correctly apply the instructions contained in the dealer policy, they gain product knowledge. Product knowledge improves the peripheral practices between the dealership and the COP. Since the peripheral practice forms the basis for the relationship between GymEquip and its dealer network, improving the peripheral practices could result in changing or improving the relationships between the companies. As dealers gain product knowledge, change can occur in the peripheral space: dealers may be promoted to Team 1 status, achieve their sales quota and receive the associated benefits; the COP can behave differently towards the dealers; or change can happen in the COP itself. As Wenger indicates, such change occurs because the periphery “is partly outside and thus in contact with other views” and “is partly inside and so perturbations are likely to propagate” (118). Thus, the very nature of permanently peripheral participation encourages change.

In the following chapter, I review literature on policy documents and the concepts of boundary objects, communities of practice, and legitimate peripheral participation. Following this review of literature, I establish my research method and methodology and then examine how GymEquip’s dealer policy behaves as a boundary object. I conclude with the implications that investigating policy documents as boundary objects presents for professional communicators.

³ Henceforth, COP will denote the community of practice formed by Adam, Mick, and Larry specifically. Other communities of practice will be identified as necessary.
Currently, research on corporate policy documents has focused on three areas: policy analysis, policy purpose, and policy implementation. Researchers in all sectors of business are exploring ways in which policy can be used more effectively. However, researchers do not seem to be connecting corporate policy to its effect on the policy recipients. As a result, the corpus of literature about corporate policy documents is incomplete: we do not know how corporate policy impacts, improves, or encourages policy recipients to learn what the policy is communicating. Additionally, viewing corporate policy documents in their role in the process of legitimate peripheral participation (LPP) or permanent peripheral participation gives corporations an opportunity to understand how policy communicates knowledge, as well as values and beliefs, to its recipients. Corporations who use their policies to communicate knowledge and understand this use of the policies would benefit from understanding the concepts in LPP and permanent peripheral participation because these concepts make explicit the tacit assumptions about the policy recipients, the purpose of the policy, the corporation itself, and the goals of policy use.

Analysis: Is our policy good enough?

Shields (1995), Prechel (1997), Napoli (1999), and Haubrich (1995) all focus their research on ways in which policies should be analyzed for effectiveness. The underlying assumption for all of the researchers is that a more effective model of analysis leads to more effective policy, which may not be true. Shields (1995) focuses on the ways in which biases in structures and institutions can affect the policy. He proposes a model of
policy analysis that identifies these biases and articulates the ways in which the deep structures impact the policy. The effect of deep structures on corporate policy seems to be important because Prechel (1997) also addresses it. In his article, Prechel claims that government business policy in the 1980s significantly affected the largest 100 corporations in the United States: they changed their organizational structure and resulting business policy from a focus on multiple business divisions to multiple layers within the same business. This distinction arose for primarily financial reasons: government business policy offered more financial benefits for the multilayered approach. What we can learn from Shields and Prechel is that organizations that create corporate policy are impacted by external forces (i.e., financial, legal, or philosophical), and those forces can be measured through quantitative and qualitative methods. Corporate policy, therefore, is not impacted just by the organization; corporate policy is also impacted by the deeper forces working on the organization itself.

If corporate policy is impacted by the context around the organization creating it, the organization needs to understand how those contextual features play. Organizations need a method of understanding how their policy is working, both within the organization and with the context around the organization. Analyzing the policy via the context, the deep structures and biases in the organization or industry, offers the organization a means of assessing the quality of the policy.

Another category of assessment is the social and economic values of a company. Haubrich (1995) addressed the importance of social and economic values. He claimed that the very wording of policy (specifically governmental policy) could have considerable economic effect; therefore, Haubrich proposed that government agencies
should use vague language because it would allow flexibility resulting in positive
economic impact. Thus, vague language is a direct result of the social and economic
impact of governmental policy, which forms the context from which the policy arose.
Napoli (1999) concurs with Haubrich’s claim that social and economic values shaping
the organizational context can be used to assess the organization’s policies.

This research on policy analysis lacks a complete theoretical explanation of the
ways in which a policy can function in an organization. Two views have been
established: (a) analyze through data about the policy contents or policy purpose or (b)
analyze through social and economic value systems within the corporation and industry.
A third view, that I propose, could analyze a policy based on how it is used in an
organization. How do the communities of practice that are affected by the policy use the
policy? How is the policy intended to be used? Such a pragmatic analysis of corporate
policy would offer corporations salient means of assessing policy success. However, in
order to evaluate the ways in which the policy is used, one would need to understand how
the policy was intended to be used. In other words, what was the purpose of the policy
itself?

**Purpose: What should we communicate?**

Corporations and business researchers are not interested only in how corporate
policy can be analyzed; they are also interested in determining the best purpose for the
policy genre. An early researcher, Shrivastava (1986), argues that corporations should
base the objective of their policy in factual research rather than in biases that haven’t
been investigated. Such factual research would be quantifiable and would form the basis
for objectives communicated in corporate policy. Fourteen years later, Page (2000) uses
Shrivastava's position to demonstrate how ISO 9000 compliant company policies should also be based in research and fact. Page claims that policies focusing on compliance issues communicate standards of behavior in the organization and can be essential in maintaining compliant status.

Both Shrivastava and Page propose that corporations use policy to communicate objectives that are supported by quantitative research. The rhetorical purpose, then, of the policy is the transfer of information. However, as other current researchers have shown, the policy is not rhetorical: it also communicates values and belief systems, which may not be supported by quantitative research. Applbaum (1999), and Begley and Boyd (2000) posit that corporate policy necessarily communicates values and beliefs to policy recipients, rather than only verifiable content.

Applbaum (1999) did an ethnographic study of a transnational advertising agency and determined that its business policy was manipulated to create specific ideological structures for the employees, as a response to uncertainty in the organization. Using policy to communicate these corporate beliefs and values indicates how powerful policy can be in organizations. Similarly, Begley and Boyd (2000) conducted a case study of several Fortune 500 companies and discovered that their HR departments were faced with revising policy and had chosen the same response: to create new policies that addressed their individual value-based cultures. The researchers found that companies that integrated their values with their policies achieved more favorable outcomes.

Yet, communicating beliefs and values and using policy to teach employees what they must know to succeed in the organization are different. Some companies may not use policy as a teaching tool because the policy recipients are on-site and can learn those
things in other ways. However, if the recipient of the policy is outside of the organization and doesn't visit the organization, the policy can be the primary teaching tool. The lens of boundary objects, legitimate peripheral participation, and permanent peripheral participation can offer us a way to understand how policies are used to teach recipients about what is valued in the organization.

Implementation: How do we make it work?

Policy analysis and purpose are meaningless if the policy is not implemented well. Existing literature on policy implementation points to one conclusion: policies are best implemented through significant organizational and structural support. Three means of creating organizational support are through creating objects within the organization that physically represent symbolic or metaphoric images in the policy, using language of the policy in other frequently used documents or in managerial speech, and enacting policy values through training, managerial behavior, and employee duties (Yanow 1993). These means of policy support can provide more successful implementation than other approaches. Kropf (1996) also advises that the best way to successfully implement corporate policy is to provide organizational support. Her organizational support focuses on managerial enactment and repetitive phrases in other corporate communications (written or oral).

Corporate policy documents are meaningful in that they have an impact on the organizations that created them. The policies must be communicated at all levels of the organization; the interaction of managers, executives, and institutional structures and the policy mandates should improve the chances of a successful policy. However, what does a company do when the policy is sent to external members of the organization? These
external members will not see modeling or behaviors because they interact with members of the organization only through phone, fax, or email. In such instances, successful policy implementation must come in other forms. In the following section, I discuss ways in which corporate policy can be more successfully implemented for distant and external policy recipients.

Incorporating enculturation in corporate policy research

As we can see, corporate policy research focuses in three areas: analysis, purpose, and implementation. The limitation of this research is that it doesn't consider the ways in which corporate policy interacts with organizational knowledge. The research only focuses on how corporations can use policy to communicate value systems or situational context revealed in quantitative research, when policy is just as capable of
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As a result of this qualitative study, I posit that policy documents are boundary objects (Star and Griesemer, 1989) that exist between communities of practice (Wenger, 1998) and offer the end user a means of becoming a legitimate peripheral participant (Lave and Wenger 1991) or a permanently peripheral participant. The effect of such a perspective is that policy documents become a part of the transmission of knowledge in organizations, rather than just the transmission of values.
define communities of practice, boundary objects, legitimate peripheral participation, and permanent peripheral participation in the context of GymEquip and its dealer policy.

**Communities of practice**

The concept of communities of practice has surfaced in several areas of research, including sociolinguistics (*Language & Society* volume 28, issue 2 is a special issue about communities of practice); organizational management (Hatch 1993); and education research (Brown, Collins, & Duguid 1989; Brown and Duguid, 1998). Communities of practice are particularly suited to those interested in the social construction of knowledge. The basic argument of communities of practice is that a group, defined by its common practices and behaviors, learns both as a group and as individuals by doing those practices and behaviors.

An early definition of communities of practice can be found in Lave and Wenger’s 1991 text, *Situated Peripheral Participation*. Lave and Wenger define a community of practice as “a set of relations among persons, activity, and world, over time and in relation with other tangential and overlapping communities of practice” (98). More specifically, a community of practice is “an intrinsic condition for the existence of knowledge, not least because it provides the interpretive support necessary for making sense of its heritage” (98). A community of practice exists when people are involved in activity that arises out of a common, often tacit, knowledge and when that activity in itself, explains the community of practice’s existence. Without the knowledge and the correlating self-explained activity, a community of practice does not exist.

One way of further ascertaining the specific nature of communities of practice is to examine Wenger’s (1998) model of ways in which dimensions of practice are the
property of a community. Three conditions establish a practice as the property of a community: mutual engagement, joint enterprise, and shared repertoire (73). All three conditions are necessary to be considered a COP. The three participants in my study, Adam, Mick, and Larry, are a community of practice within GymEquip because their relationship meets these three conditions:

1. Mutual engagement. Mutual engagement, briefly, is the ability to “be included in what matters” (74) in the meaning-making of the community. Adam, Mick, and Larry are the only ones in GymEquip, who work with dealers. They are the only ones who have meaningful conversations with dealers about current projects, and they are the only ones who make decisions about how to treat the dealers. As Adam, Mick, and Larry are mutually engaged, they each provide necessary skills and information to make GymEquip more successful.

2. Joint enterprise. Joint enterprises are negotiated, indigenous to the community, and are a “regime of mutual accountability” (81). Adam, Mick, and Larry are engaged in joint enterprise because they must work together and share their knowledge of products, upcoming jobs, and potential manufacturing needs. The men must work together to generate sales of manufactured goods and, when necessary, modify the manufactured goods to accommodate a customer or dealer’s needs.

   Another example of their joint enterprise occurred when Adam, Mick, and Larry worked together to revise the dealer policy. Each man negotiated with the other about the content and revision decisions. The need to revise the policy at all was indigenous to the company because it was in response to
falling dealer sales. As the revision occurred, the men became accountable to each other because they had to decide “what mattered and what did not...what to pay attention to and what to ignore” (81).

3. Shared Repertoire. Finally, a shared repertoire contains “the resources for negotiating meaning” (82) that include a history of mutual engagement and inherent ambiguity (83). Adam, Mick, and Larry share a repertoire that is primarily revealed through their use of jargon and highly contextualized conversation. In several observations that I made, the amount of their jargon and shared contextual information kept outside listeners or observers from understanding.

In addition, Adam, Mick, and Larry have worked together for years and have all had similar experiences with dealers. Their history gives them a shared knowledge that is only increased by their shared experiences with each other. Thus, as they revised the dealer policies, they could call on this history and use the knowledge to negotiate the meaning of the new policy and the new relationship with the dealer network. Other GymEquip, employees may very well comprise other communities of practice within this one small company. And the ways in which those communities of practice interact with the community of practice of Adam, Mick, and Larry reflect what Wenger cautions us about: Communities of practice are defined by the practices and knowledge within them, not by job titles, class affiliations, or sections of a building.

Distinguishing between communities of practice and cultures or sub-cultures in organizations is important because they are not the same thing. Hofstede (1998) claims that sub-cultures in organizations are important and may offer a more revealing analysis
than the larger corporate culture. His empirical study of a Danish insurance company revealed three sub-cultures in the large organization: a professional subculture, an administrative subculture, and a customer-interface subculture. The location of knowledge is at the heart of the difference between culture and community of practice. Hofstede defines culture as “the collective programming of the mind which distinguishes the members of one organization from another” (1991, 262); cultural knowledge is located in the minds of the members of the organization. In contrast, Wenger (1998) and Lave and Wenger (1991) coined the term community of practice to indicate that knowledge is located in the actions (that is, the practices) of the members of a community; the common actions embody common knowledge, which establishes a community of practice. Using Lave and Wenger’s definition of a community of practice then, Hofstede’s three sub-cultures—professional, administrative, and a customer-interface—could be comprised of several communities of practice.

Since several communities of practice could exist within one organization or sub-culture and since those communities of practice are defined by the type of their activity and knowledge, how do different communities of practice interact with each other? According to Wenger (1998), communities of practice engage through brokers and boundary objects. Brokers are those people who can communicate between communities of practice and can introduce elements of one community of practice into another. The difference between a broker and a boundary object is that the broker can introduce these elements; the boundary object does not.

**Boundary objects**

The term “boundary object,” first coined by Star (1989) and defined in Star and
Griesemer (1989), is “an analytic concept of those scientific objects which both inhabit several intersecting social worlds...and satisfy the informational requirements of each of them” (Star and Griesemer 1989, 393). This analytic concept allows researchers to examine ways in which social worlds connect through the common use of objects, which may be documents, machines, programs, and so on. Several researchers have employed the concept of boundary object to further understand how something is socially constructed. Henderson (1991) investigates engineers’ sketches and argues that they are “network-organizing devices” (456) that act as boundary objects between engineers and the production crew, and among engineers themselves.

More recently, Albrechtsen and Jacob (1998) assess classification systems in online libraries as boundary objects, creating new “ecologies of information” (301) that can be accessed by multiple communities of practice and useful to all of them (303). Also in 1998, Harvey and Chrisman use Star and Griesemer’s definition of boundary objects to understand global imaging systems, making clear that boundary objects can exist anywhere, in virtually any format.

However, boundary objects have requirements. In Communities of Practice (1998), Wenger describes the requirements that Star established for an artifact (a term that refers to anything that could be a boundary object, such as a document, program, building, or drawing) to act as a boundary object:

- **Modularity:** each perspective can attend to one specific portion of the boundary object (e.g., a newspaper is a heterogeneous collection of articles that has something for each reader).
Abstraction: all perspectives are served at once by deletion of features that are specific to each perspective (e.g., a map abstracts from the terrain only certain features such as distance and elevation).

Accommodation: the boundary object lends itself to various activities (e.g., the office building can accommodate the various practices of its tenants, its caretakers, its owners, and so forth).

Standardization: the information contained in a boundary object is in a prespecified form so that each constituency knows how to deal with it locally (for example, a questionnaire that specifies how to provide some information by answering certain questions). (107)

If the artifact can be used in only one way by the various communities of practice who use it, then it is not a boundary object—it is only an artifact. The artifact must meet all four of the criteria that Star established to be a boundary object.

Does the dealer policy at GymEquip's qualify as a boundary object? Yes. It meets Star's criteria. The policy satisfies the maxim of modularity because the dealers attend to the content of the policy while GymEquip part-time office employees attend only to the signature line. The dealer policy abstracts from dealer and company practices only the most important features of the relationship such as requirements and procedures.

Accommodation is satisfied because the dealer policy engages in multiple activities: as a contract, as an instructional document, and as a cultural symbol. The dealer policy satisfies the maxim of standardization because the dealers know to read, sign and return it, and the office staff knows to record its signature and receipt.

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4 For example, the dealer policy at GymEquip does not address what specific dealerships would do as part of their own individual communities of practice because only that specific dealership would understand because only that specific perspective would be addressed. Rather, the dealer policy serves all dealers by discussing features that are common to all the dealers: shipping, payment terms, GymEquip support, etc.
The most important element of boundary objects is that they are artifacts that “are in fact a nexus of perspectives and that it is often in the meeting of these perspectives that artifacts obtain their meanings” (Wenger 1998, 108). The dealer policy, as a boundary object, was created by GymEquip, which is one community of practice. The policy is read by the dealers, who are members of other communities of practices and who attribute meaning to the artifact, the policy. However, the meaning that the dealers attribute to the boundary object may be different than the meaning intended by GymEquip. Often, the behavior of the dealers signals that such differences exist. One way to read this attribution of meaning is through the lens of knowledge acquisition.

Legitimate peripheral participation, a term coined by Lave and Wenger (1991), is the process by which a peripheral, or novice, member of a community of practice uses a boundary object to gain knowledge about the community of practice and move to become a core, experienced, member. In the following section, I explain the process of legitimate peripheral participation.

**Legitimate peripheral participation**

Lave and Wenger (1991) characterize legitimate peripheral participation (LPP) as a “process by which newcomers become part of a community of practice” (29). This process, which some have more generally termed enculturation, is based in the belief that knowledge is the practice and behavior of the members of the community. As people understand the practices, they become legitimate and move towards full membership in the community of practice. “Viewing learning as legitimate peripheral participation
means that learning is not merely a condition for membership, but is itself an evolving form of membership” (Lave and Wenger 53).

In this review of literature about legitimate peripheral participation (LPP), I distinguish opportunities for assessing permanent peripheral participation from LPP. The basic concepts of LPP are grounded on the assumption that a participant must become a core member of a COP. In the case of GymEquip, the dealers can not become core members, but still engage in situated learning based in the practices of the COP’s peripheries. That is, Adam, Mick, and Larry are the only people who can even be core members, but, despite this, the dealers must learn and then share certain core knowledge in order to be successful.

Several researchers have investigated legitimate peripheral participation. John Seely Brown and Paul Duguid (1998) use LPP to offer organizations and business ways to organize and protect their knowledge in this age of the “information economy” (1). These researchers distinguish between two types of knowledge: know-what and know-how. The difference between the two types of knowledge is the process of legitimate peripheral participation. Know-what is explicit knowledge that multiple members of the organization have. Know-how is intangible knowledge that some members of the organization use to put "know-what into practice" (Brown and Duguid, para 7). Someone moves from know-what by participating in the organization’s practices and learning in the situations that occur; as this situated learning happens, the learner gains know-how. In their online article, Brown and Duguid (1998) state that

the organizational knowledge that constitutes “core competency” is more than “know-what,” explicit knowledge which may be shared by several. A core competency requires the more elusive “know-how”—the particular ability to put
know-what into practice...Know-how [is] embedded in work practice...[and]...can be hard to spread, coordinate, benchmark, or change. (para 7)

This explanation of know-how evokes the same idea as LPP. As the peripheral participants gain know-what and understand how it is used in the community of practice, it becomes know-how. Having know-how indicates one's movement towards full participation in a community of practice.

However, know-how is not the only requirement for full participation in the community of practice. Know-how is only the shared repertoire—mutual engagement and joint enterprise are still necessary. As we see in Chapter 4, GymEquip dealers are shown the elements of know-what through dealer policy. As the dealers use the policy appropriately, they gain product knowledge, which is part of the know-how necessary to join the COP. However, the dealers are never consistently mutually engaged nor are they consistently experiencing joint enterprise. Therefore, the dealers' gained know-how (product knowledge) can only assist their peripheral participation in the COP. The product knowledge will not move them to full participant status. Since know-how is only one of the three requirements to join the COP, the dealers remain permanently peripheral to the COP.

Another reason that GymEquip's dealers remain permanently peripheral to the COP involves Lave and Wenger's notion of reciprocity. As new (legitimately peripheral) members move into the core of the community of practice, older (full members) of the community of practice inevitably move out. Lave and Wenger demonstrate this notion using case studies of midwives, tailors, quartermasters, butchers, and non-drinking alcoholics. In each of these cases, the full members moved out of the community of
practice as the new members moved in. Brown and Duguid interpret Lave and Wenger’s (1991) view of reciprocity:

People learn by taking up a position on the periphery of skilled practice and being allowed (hence the importance of legitimacy) to move slowly from the periphery into the community and the practice involved. (para 72)

The length of time required for this movement from periphery to core varies between communities of practice. The only requirement for the reciprocity is that the movement occurs.

At GymEquip, Adam, Mick, and Larry, who form the COP, do not intend to move out of the COP. Since they are not willing to reciprocate, the dealers cannot become full members. I believe that reciprocity could occur, however, at the peripheries of the COP. What the policy calls Team 2 dealers are the most peripheral of members in the COP—these members must prove their status by selling products and demonstrating product knowledge to be considered a Team 1 dealer. Thus, as the Team 2 dealers gain product knowledge, GymEquip reciprocates by promoting them to Team 1 status. Team 1 dealers are still peripheral, though, in that they do not have the significant level of product knowledge Adam, Mick, and Larry have, rarely have joint enterprise, and infrequently engage in mutual activity. Since all three requirements of communities of practice can not be met, the Team 1 dealers are be peripheral and can not engage in reciprocity, even if they have the know-how.

Brown and Duguid’s categories of know-how and know-what are very similar to the distinctions Leonard and Sensiper (1998) make between tacit and explicit knowledge. Leonard and Sensiper’s definition of knowledge is contextual:
In the business context, we define knowledge as information that is relevant, actionable, and based at least partially on experience. Knowledge is a subset of information; it is subjective; it is linked to meaningful behavior; and it has tacit elements born of experience. (113)

The connection between experiential knowledge and tacit knowledge is directly related to legitimate peripheral participation. Knowing the behaviors and practices inherent in the community of practice makes one a legitimate peripheral member; often those behaviors and practices that signal one's legitimized status are understood tacitly.

The definition of knowledge offered by Leonard and Sensiper is useful when examining what counts as knowledge in business contexts. In the context of GymEquip, interaction between the COP and the dealers is analogous to that between firms grouped together to strategically advance their business practices in a given marketplace. This interaction is explained by Lant and Phelps:

Interactive learning among firms in a strategic group...results in institutionalized patterns of behavior [that] should be viewed as situated in the particular context within which it occurs....The foci of learning in this perspective are not the individual firms, but, rather, the direct and indirect interactions among firms....[one implication of taking a situated learning view of strategic groups is this:] to the extent that a strategic group allows legitimate peripheral participation by actors outside the group, situated learning processes may actually help preserve behavioral variation within strategic groups. (223, italics added)

"Allows" is italicized in the quotation from Lant and Phelps because it reveals the inherent power struggle in LPP. As members move toward and eventually into the core of the community of practice, inevitably the "old-timers" (Lave and Wenger) move out. And, as each peripheral participant becomes a new core member of a community of practice, that member can bring in "behavioral variation" (Lant and Phelps 223) that keeps the community of practice from stagnating. Lave and Wenger discuss behavioral variation in terms of reciprocity, which refers to the inherent tension that occurs when
novice members become experts and experts, or "old-timers," move out of the core of the community of practice. While the reciprocity can bring necessary, but negative, tension to the community of practice in Lave and Wenger's view, business researchers proposing situated learning and LPP have recognized the positive effect the interaction of strategic groups can have.

GymEquip's COP, as previously discussed, does not allow the dealers to move into the core and will not move "old-timers" out. The strategic interactions between the COP and the dealers are relegated to the peripheries of the practice, which is a "region that is neither fully inside nor fully outside, and surrounds the practice with a degree of permeability" (117). Thus, the Team 2 dealers can move into the peripheral space occupied by the Team 1 dealers and the Team 1 dealers could move out to the space occupied by the Team 2 dealers. Over the course of the participation, the dealers can permeate closer or farther away from the COP, but these permeations are contained to the peripheries of the COP. Simply put, dealers can never move into the core; they are always on the periphery though that can be closer to or more distant from the core based on their knowledge and actions.

While legitimate peripheral participation is certainly a possibility in some communities of practice, the interactions between the COP at GymEquip and its dealers do not qualify as legitimately peripheral. Rather, the interactions are permanently peripheral and involve only one feature of the three requirements of a community of practice: shared repertoire. Shared repertoire in the COP at GymEquip, is product knowledge, which the dealers must gain to be successful on the peripheries of the COP. The dealer policy is the boundary object that allows the dealers to gain the product
knowledge and understand the periphery of the COP and thus engage in what I call permanently peripheral participation.

Current research on corporate policy documents has not begun to consider the ways in which these documents engage legitimate peripheral participation or permanently peripheral participation nor the ways in which corporate policies are boundary objects. The purpose of my research project is to address this gap through qualitative research on a particular corporate policy. In the next chapter, I explain the methods used to determine ways in which the boundary object dealer policy helps the dealers be permanently peripheral participants in GymEquip’s COP.
CHAPTER 3
METHODOLOGY

In order to determine how corporate policy reflects, impacts, or addresses the relationship between the company creating the policy and the policy recipient, I undertook a qualitative study at GymEquip. I determined that three categories of information would provide a diverse understanding of this relationship: observations of GymEquip offices and daily activities; interviews with GymEquip employees who work closely with the dealer policy; and analysis of versions and drafts of the dealer policy.

In this chapter, I describe my research, including my research stance and history with the organization. Then, I describe the research site history, industry, organizational structure, and participants and discuss the dealer policy I analyze. I conclude with a discussion of my data analysis methods.

Description of research

I entered the research site as a participant observer (Glesne 1999, 44), working 15 hours per week as a technical writer and during that time also observing the company’s practices and the subjects of my research, Adam, Mick, and Larry. I spent an additional five hours per week directly observing the company’s practices, which usually included impromptu meetings between the research subjects and one side of telephone calls between the research subjects and dealers, and interviewing the research subjects. The benefit of the participant observer approach was being able to learn about and understand GymEquip’s culture (its history, its place within the industry, and its organizational structure) from the position of one who seeks to “make the strange familiar and the familiar strange” (Erickson 1973, qtd. in Glesne, 1999).
GymEquip was a familiar site for me because I had worked at the company up until a year before the beginning of my research. I had known the men I would be observing and had been a part of the culture I would be analyzing. However, conducting the research as a participant observer made my return to GymEquip more reasonable for the research participants; they knew I was observing them and interviewing them, but they were familiar with me as a technical writer. To return after a year and observe them without contributing to the organization may have made them feel used.

As my research progressed, I realized how my own history with the organization was impacting my analysis of the situation. As I learned how the dealer policy worked within the company, I began to remember my own enculturation into GymEquip. While I provide a fuller description of the importance of my history with GymEquip later, I note now that these memories impacted my analysis in one way: I started to investigate enculturation literature and discovered Lave and Wenger's (1991) conception of legitimate peripheral participation, Star’s (1989) description of boundary objects, and Wenger’s (1998) examination of communities of practice. Thus, my data analysis investigates how the culture of a community of practice determines and creates boundary objects that the peripheral members of the community use to become permanent peripheral participants in that community of practice. The following descriptions demonstrate some of the history, industry, and organizational structure of this community of practice. In addition, I introduce the participants in the study and describe the document under analysis.
Research site

A complete description of GymEquip must involve its history, industry, and organizational structure. These three elements are important because they reveal how important the dealer policy document is to the success of the company. The company itself is very small: 10 employees at the time of observation in the summer of 2000. The approximately 40 dealers who receive GymEquip's policy are the primary sales-generating force in the company, accounting for 75% of annual sales. The other 25% of annual sales are generated by in-house sales to states without dealer representation. In addition, the policy documents were created at a specific point in the organization's history and have been revised at subsequent significant moments.

The historical description of the company in Chapter 1 highlights the importance of the evolution of policy documents Adam Norris's companies, including Gym Equip, which is the focus of this study.

Description of industry

Gym Equip's product line includes most of the products within the industry: wrestling mats, the Mat Hoist™, permanent wall padding, gym divider curtains, indoor baseball batting cages, and gym floor covers. Other industry products not sold by Gym Equip are volleyball equipment, scoreboards, and basketball baskets. All Gym Equip products are manufactured in an Iowa factory except for the wrestling mats, which are made for Gym Equip by a company in the Chicago area.

The gymnasium equipment business is competitive: Gym Equip fights for market share with at least five manufacturers of gym curtains, three of indoor batting cages, six of wrestling mats, seven of wall padding, and four of gym floor covers. However, only
two companies manufacture a ceiling-mounted mat storage system: GymEquip and P. E. Company. P. E. Company is, by far, the largest manufacturer of these systems nationwide. However, P. E. Company sells its equipment only through 50 registered dealers (one per state). Those business or general contractors who are not P. E. Company dealers but wish to purchase the mat hoist must come to GymEquip for the product.

When Norris started manufacturing and selling the Mat Hoist, it was a luxury item for high schools with large wrestling programs. Today, however, the Mat Hoist is a standard item in new middle, junior high, and high school gyms; the safety and liability concerns of moving two-ton wrestling mats demands the purchase of this expensive item. Thus, the construction of new gymnasiums and the refurbishing of existing gymnasiums offer GymEquip and other industry manufacturers consistent business.

Organizational structure

Adam Norris's companies have always been small; the volume of manufacturing supports 20 employees at the most, ten on average. Usually those 20 employees are equally divided between the production and the office portions of the business. Figure 3.1 shows the organizational structure and hierarchy that was in existence during my research, which was conducted during the summer slow season. Four people were in "middle management," two were production workers, and two were office clerks. Since the Office Manager position is vacant, Adam, Mick, and Larry direct the office clerks.

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5 Since the completion of my research, the organizational structure has changed considerably. The only employees at this time are Adam Norris and Mick Hancock. Manufacturing is completed through subcontracting work.
GymEquip is successful in their small size because most of the sales generation and accompanying support needs is satisfied through the individual dealers. As a result, in the summer of my research, the organization was at half capacity and all employees worked efficiently to meet sales and manufacturing needs. Mick and Larry equally supported the dealer network and Mick took on extra duties of recruitment. The two part-time office clerks were able to keep up with the necessary sales and manufacturing support for the summer. The production managers divided the more technical and specified duties between themselves and production workers were largely responsible for manual labor and general tasks.

Fig. 3.1: GymEquip organizational chart, June 2000.
Participants

The focus of this investigation, in general, is on the way the dealer policy operates as a boundary object that enables the dealers to become permanently peripheral participants in the organization. In order to determine how this boundary object operates in the community of practice, I needed to learn about the most important and influential members of that community of practice. Based on my observations and my own history with GymEquip, I knew that Adam, Mick, and Larry would be the sole interviewees: each of these men knows a lot about the corporation and the dealer policy. GymEquip dealers are chronically busy, and I did not have the resources to attract them to participating in my qualitative study.

Recruiting Adam, Mick, and Larry for interviews was remarkably easy: I believe that my history with the company had a great impact in this area. Because Mick, Adam, and Larry had good rapport with me and because they genuinely enjoyed discussing GymEquip, I was able to get lengthy interviews: generally an hour and a half, but even up to three hours.

I knew from the beginning that I would need to interview all three men. Of course, Adam Norris was an immediate choice—my history with GymEquip had proven that he was an important feature of the corporation. Mick Hancock, the National Sales Manager, was also a logical choice because he had a primary role in writing the dealer policy. In addition, Mick has been a part of GymEquip for 15 years and has a wealth of information about the company's history and future. I also found that Mick and Adam would corroborate or disagree with each other during separate interviews—the topics of agreement or disagreement revealed important information about the culture of the
company. Larry Ansohm, the Associate Sales Manager, had worked for GymEquip for only three years when I interviewed him, but he was instrumental in revising the 2000 dealer policy, which is the focus of this investigation.

While interviews with Adam, Mick, and Larry were central to my investigation, a large portion of the research period was dedicated to the dealer policy document.

**Text under consideration**

The revised 2000 dealer policy document is attached as an appendix, but below is a brief outline of its contents. Knowing the general features of the content is important because it offers an initial assessment of the policy content and structure. As you can see, the policy is divided into four major sections, with the closing and signature space at the end.

1. GymEquip Dealer Network and Policies
   a. Introduction
   b. Specifications
2. Team 1 Dealers
   a. Minimum Yearly Quota
   b. Dealer Pricing
   c. Advances/Payment Terms
3. Team 2 Dealers
   a. Dealer Pricing
   b. Advances/Payment terms
4. Team 1 and Team 2 Dealers
   a. Dealer Purchase Orders
   b. Production and Shipping
   c. Installation
   d. Territories
   e. GymEquip Support
   f. General
4. Closing
5. Signatures
GymEquip’s dealer policy is an important corporate document because it codifies the relationship between the company and its primary selling network, the dealers. I have been told by Adam that GymEquip first wrote the dealer policy in 1993; it has been changed in minor ways four times since that initial version. The current revision to the policy is the first major change it has seen. In this completely revised policy, GymEquip informs the dealers of their responsibilities and codifies GymEquip’s expectations, including protocol, liability concerns, and payment procedures.

Data gathering

I gathered information in several ways.

- **Observational notes.** Three days a week, at different times of each day, I observed the physical layout and facilities of the main office as well as the Mick and Larry and others as they went about their work. The open floor plan allowed me to sit in one central location and observe everyone.

  The GymEquip main office is one large room with desks for Mick and Larry (no desk for Adam?) and the part-time office clerks, and an office equipment bay with the copy and fax machines. Adam’s office is adjacent to the main office room; I could see the doorway from my position. I took notes focusing on two categories: the dealer policy, including its use, explanations of it, or discussions about it; and the culture of the company, which included conversations between the office inhabitants, jokes, recurring phrases and their meaning, and comments to me from any of the participants about the other participants or about the company. Typically, these
conversations were between Mick and Larry or Adam and Mick or Adam and Larry. I transcribed the notes immediately after my observations and included my own analytical notes and comments about questions to ask during interviews. I found that in the eight weeks (24 observations) I observed GymEquip, the dealer policy was used or discussed only six times, resulting in eight single-spaced pages of notes. Opportunities to observe aspects of corporate culture recurred more often and resulted in fifteen single-spaced pages of notes. As an example, an excerpt of my transcribed observations notes is in Appendix B.

• Interviews. I conducted two sets of independent audiotaped interviews with Adam, Mick, and Larry. The first interview (during the third quarter of FY 2000), completed during the second week of my observations, focused on the culture and ideology of the company.

  The questions for the first interview were created during the first week of observations and are shown in Figure 3.2. I analyzed my observational notes to identify key topics pertinent to the company’s culture and formulated questions that would encourage Adam, Mick, and Larry to talk about GymEquip’s culture without using that ambiguous term. For example, questions 4, 5, 6, 13, 14, and 15 all address aspects of GymEquip’s culture that appeared during by observations, but do not ask the interviewees to broadly and generally tell me what the company’s culture is like.

  I interviewed Adam, Mick, and Larry in that order. Interviews with Adam were
conducted in his office because it had a door we could close. Interviews with Mick and Larry were conducted in the local park, away from other company employees. The first interview round resulted in a total of 33 single-spaced pages, sixteen for Adam, nine for Mick, and eight for Larry. As an example, an excerpt of the transcript of the first interview with Larry is in Appendix C.

| 1. What is your name and position at GymEquip? |
| 2. How long have you worked at this company? |
| 3. What does GymEquip do? |
| 4. How would you describe what GymEquip does to someone outside of the industry? |
| 5. If you could only describe GymEquip in phrases or key words, what would they be? |
| 6. Why did you choose those phrases and/or key words? |
| 7. Who are GymEquip’s customers? |
| 8. Which customers give GymEquip the most business? |
| 9. What does GymEquip do to meet the needs of these customers? |
| 10. How would you describe the relationship GymEquip has with these customers? |
| 11. Has the company/customer relationship changed over time? If so, why? If not, why not? |
| 12. What is your top priority in relationship to this company? |
| 13. How do priorities shift when you consider the customer’s needs? |
| 14. Do you think everyone’s top priority is the same? If so, why? If not, why not? |
| 15. How would you describe the “mission” of GymEquip? |
| 16. What things have been done that support the “mission” you’ve described? |
| 17. What are concerns that GymEquip continually has about the gymnasium equipment industry? |
| 18. Why are these areas the areas of concern? |
| 19. What does GymEquip do to circumvent these potential concerns? |
| 20. How successful has GymEquip been in circumventing these potential concerns? |

Figure 3.2: Interview Round 1 Questions about Culture

The second interview, completed during the sixth and seventh weeks of my observations, focused on the 2000 policy. I generated questions for the second interview by comparing the 1999 and 2000 policies. Each difference between the policies generated a question for the interviewees: I wanted to hear and understand
their rationale for making any and all changes to the policy. This lengthy discourse-based interview had two parts.

- The first part of the interview sought to establish the significance of the 2000 policy and meaning for the jargon in the policy.

- The second part of the interview focused on the differences between the 1999 policy and the 2000 policy:

  I was seeking to understand why GymEquip made major revisions to the dealer policy (especially since in the previous seven years revisions had been minor).

I changed the order of interviews this time because Adam insisted that Mick and Larry knew more about the revision than he did: Mick’s interview spanned two days and resulted in 24 pages of transcription; Larry’s interview was 18 pages, and Adam’s interview was also 18 pages.

After each interview, I wrote an initial theme memo, based on my recollections of the interview. Then I transcribed the interviews and revised my theme memo, incorporating pertinent information from the transcription.

- Policy drafts. I obtained the 1999 policy, some handwritten drafts of the 2000 policy revision, the final 2000 policy, and a letter that accompanied the 2000 policy when it was sent to the dealer network. I used the 1999 and 2000 policies to generate questions for the discourse-based interviews.

  The letter that accompanied the 2000 policy introduced the policy and noted significant changes to the policy for the dealers; I used it as a check in analyzing the interviews. I wanted to be sure that what Adam, Mick, and Larry were telling me was the same as what they told their dealers. If I discovered discrepancies, I asked the
participants a question about it. Those informal and impromptu interviews were incorporated into my observational notes.

**Analysis**

Because I was using several forms of data gathering, I conducted ongoing and cross-referenced analysis, which means that I triangulated my findings. Information from my observations informed the interviews, and the interviews informed my analysis of the policy drafts.

This comprehensive form of data gathering, in conjunction with my own sense of the company from my history, offered very helpful insights for categories of analysis. I created these categories of analysis across data types. The categories began as *policy* and *culture* and were further specified to the roles of the policy within the culture. One of the roles was boundary marker, which prompted my investigation of boundary objects.

After the discourse-based interviews, I examined my observational notes and discovered that the discussion of the policy indicated that revisions were made to instruct the dealers to use and follow the policy more closely, which led me into investigation of instructions, learning, and situated learning. Thus, my analysis is grounded in the sense that the theories applied to the data arose out of the data itself (Glaser and Strauss, 1967).

I sent copies of this thesis to each of the interview participants to be sure that I had represented them and the situation accurately. None of the participants had any problems with my representations nor did they suggest revisions.
CHAPTER 4

POLICY: INSTRUCTIONS AS BOUNDARY OBJECT

As this chapter shows, product knowledge is the most important element of GymEquip's culture and the COP of Adam, Mick, and Larry. Understanding how the products work, what they are capable of, how they are installed, and how to fix them when they break demonstrates that someone is a member of the culture or the community of practice. Thus, the shared repertoire of product knowledge is a primary element of the formation of the community of practice.

When gym equipment companies across the United States join GymEquip's dealer network, individual salespeople in the new dealer company undergo a learning process by which the salespeople gain this shared repertoire. The dealer policy is a central to the dealer's success in learning product knowledge. As this repertoire of product knowledge is gained, the relationship between the dealer and the community of practice changes. In answer to my research question, "How does corporate policy reflect, impact, or address the relationship between the company creating the policy and the policy recipient? " I posit that the relationship between the community of practice and the dealers should change as product knowledge is gained and subsequent permanent peripheral participation occurs.

Many of the companies in GymEquip's dealer network are very small, with one or two salespeople who consistently work with Adam, Mick, and Larry to sell GymEquip products. Thus, when I refer to a dealer or dealers, I am referring to the individual salespeople within the dealer companies who are selling GymEquip products and learning product knowledge. The process of learning product knowledge occurs through
permanent peripheral participation; succeeding in the learning process earns the dealer intangible benefits from the community of practice formed by Adam, Mick, and Larry and improves the relationship between the community of practice and the dealer.

**Peripheral practice and the boundary object**

The primary way that the dealers learn that product knowledge is the knowledge that counts in the organization is through the dealer policy. This policy explains to the dealers what is expected of them, how to behave in certain situations, and what the dealers can expect from GymEquip. The dealer policy states only once that product knowledge is necessary, but the implicit message throughout the policy is that the dealer must gain product knowledge. In the “General” section of the policy, item one is explicit about the need for product knowledge:

> Dealers are responsible for submittals and shop drawings. GymEquip will provide basic shop drawings to be used as needed. *This [responsibility] requires product knowledge, including knowledge of proper installation methods* (italics added).

Without product knowledge, the dealers could not perform what is expected of them, would not behave appropriately in some situations, and would expect more from GymEquip than the company intends to give. From GymEquip’s perspective, the policy codifies the relationship between the two parties and serves as legal protection for GymEquip’s products and name. Since the dealers use the policy differently from the COP of Adam, Mick, and Larry, the dealer policy is a boundary object within the peripheral practice that occurs between the COP and the dealers.
Peripheral practice can be defined as those practices on the edges of at least two communities of practice, where members of each community of practice interact to achieve some goal. Peripheral practice, as visually represented in Figure 4.1, exists for each of GymEquip's dealers. In this peripheral practice, the COP and the dealer communicate about potential or existing sales, product information, purchase order requirements, and many other topics related to successful business practice. A dealer cannot engage in this peripheral practice if the dealer does not have potential or existing sales, does not know anything about the products, does not understand purchase order requirements, or does not have the skills or knowledge to communicate about many other topics. If the dealer has the required knowledge to engage in the peripheral practice successfully, the dealer will still encounter a boundary between his individual communities of practice and the COP; despite extensive product knowledge, a dealer is not allowed into the COP. GymEquip's dealer policy codifies this boundary by defining the relationship between the dealers and the COP.

**Figure 4.1:** A boundary exists in the peripheral practices of the dealer COPs and the GymEquip COP.
As a boundary object, the dealer policy is a deceptively straightforward document whose complication lies in its multiple roles. Interviews, analysis of the policy, and observations of GymEquip’s daily operations indicate that the policy document has three roles: a justification for an action, a motivational tool, and a set of instructions. In this analysis, I focus on the policy’s role as an instruction set. As an instruction set, the dealer policy defines the boundary between who is a part of the community of practice and who is not. The policy document implies that the dealer must have product knowledge to succeed as a dealer engaged in peripheral practice with the COP. In addition, the dealer policy asserts that the dealer relationship with GymEquip is a legal one that also precludes the dealer company and that company’s salesmen from being a GymEquip employee.

**Product knowledge and enculturation at GymEquip**

GymEquip is a small organization with a pervasive corporate culture based on the knowledge one has about its products. The community of practice defined by Adam, Mick, and Larry values product knowledge even more than the rest of GymEquip’s employees value it. Understanding and emulating the culture is essential to being accepted by the members of the culture and becoming a part of the company (e.g., becoming enculturated). Likewise, understanding GymEquip’s products is the only way to be accepted by Adam, Mick, and Larry. Because of my own experience, I know how important becoming enculturated and gaining product knowledge are at GymEquip.
My experience

I started working for Adam Norris in 1994 as a freshman English major who desperately wanted a mature and respectable office job rather than the restaurant jobs my peers sought. I worked part-time as a data entry/office clerk for two years, quickly learning the basic ins and outs of what was then Norris Gym Equipment and Norris Mats, Inc. I came to work on time, typed really fast, answered the phones like a card-carrying member of the Inquisition, and included Saturday mornings from 8-12 as a part of my standard work week. Mick was the only salesman at the time; often, just he and I were in the office. Adam spent most of his days with the production workers, coming up to the office only to sign checks and see “what’s shipping next.”

The dealer system had been in place for only a year when I started, and I still remember my confusion over the dealer policy. I was expected to know the policy’s rules and regulations by heart, since I was also responsible for calling the wayward dealers who forgot their advance or, worse yet, were late on their final payments (central components of the policy to this day).

At that time, I didn’t agree with Adam’s policies. After I had worked for Adam about two years, I was promoted to office manager. Essentially, I had lasted longer than any other office employee, including the office manager, who was hired to oversee the other part-time clerk and myself. With this promotion came, of course, more money, a lot more responsibility, and much more direct contact with Adam. This increased contact allowed me to move very close to community of practice formed by Adam and Mick.

Larry was not part of the organization at the time. He arrived in 1999.
However, I still was not a core member. Adam Norris is the core participant in the community of practice constituted by himself, Mick, and (now) Larry. While Mick and Larry are also core members of the community of practice, as owner and president, Adam has the most power over the activities and practices of the community.

So, the summer of 1996, I took a crash course in Norris Gym Equipment/Norris Mats, Inc. Between May and the end of June, I was constantly bumping heads with Adam over several office procedures that didn’t fit with the established practices of the community but had been consistent with the other community of practice I’d belonged to since I arrived in 1994, that of the data-entry clerks. For example, I learned that my practice of responding to bill collectors by sending a check off right away with an apologetic note enclosed was unnecessary. According to Adam, bill collectors could (and should) be put off until they threatened to hold shipment. I learned that the part-time employees who didn’t agree with Adam’s personal views about the company should be made to feel very good about leaving the company, which differed from my own desire as a novice office manager to change the company to better fit them. My process of enculturation was legitimate peripheral participation because I was becoming part of the community of practice by gaining a shared repertoire of knowledge about how Adam wanted his company run, engaging in a joint enterprise of managing the office in a way that increased daily profits, and becoming mutually engaged in the activities that counted in the organization.

Just to complicate my learning process further, Adam incorporated GymEquip on July 1, 1996. According to this study’s first interview with Adam, “the reason GymEquip
dealer's only contact with GymEquip culture is through intermittent contact with the COP, the dealer's participation in the practices of the COP will be permanently peripheral. Before we can investigate how the policy communicates the need for product knowledge and exists as a boundary object used by the COP and the dealers, we must understand how Adam, Mick, and Larry view the process of what I am calling permanent peripheral participation.

In the first interview, Mick explains the level of product knowledge that the majority of the dealers have.

Some of the dealers (over 50 percent, I would say) are somewhat ignorant what all the products do, what a mat hoist does, how it is installed, what is required in it...they just seem to forget from job to job what was required on the last job...The ones who are always seeming to have problems are those who don't understand their products; be it our company or somebody else's company. And they're the ones who run into problems all the time because they cannot foresee what complications may arise in a particular job from beginning to end.

The results of lacking product knowledge, of not following the instructions in the policy, are "problems" and "complications." GymEquip is sometimes affected by those problems or complications, and attempting to avoid reoccurrence of these problems seems to motivate changes to the policies. One signal that dealers are gaining product knowledge and may avoid the resulting problems is the dealer's phone behavior. Mick says that those dealers who try to learn about the product are the ones calling and asking questions. You can always tell by just listening to their type of questions that they ask that they are learning something about the products. Those who don't ask questions usually haven't looked at any drawings or any books or whatever we provide because if you don't know anything, you can't ask anything.
As Mick points out, the dealers must have some product knowledge in order to participate with Mick on the phone. The peripheral practice Mick and the dealer engage in on the phone cannot exist without some shared repertoire of product knowledge.

Although product knowledge is the goal for the dealer and is what allows the dealer to become a permanently peripheral participant, Adam does not believe complete product knowledge is possible. One reason complete product knowledge is impossible could be because shared repertoire (knowledge of terms, intangible truths, objects, practices, etc. that members of a community of practice share) must act with mutual engagement and joint enterprise to create a community of practice. Adam measures product knowledge against the amount of product knowledge the COP has. He says, "I don't know if we'll ever achieve product awareness or product knowledge from our dealers, to where I believe it should be...[But,] we have to keep it in the right perspective and try to make them aware of the product." Even though most of the dealers don't have sufficient product knowledge, GymEquip will continue to try to educate them about the products and help them be successful as permanently peripheral participants. The peripheries of the COP depend on product knowledge for successful practice to occur.

The result of a dealer's successful permanent peripheral participation at GymEquip is respect from Adam, Mick, and Larry. During one of my observations, I got a glimpse of the change in attitude that Adam, Mick, and Larry had for an enculturated dealer. The dealer in question had sent in two purchase orders, which is a routine occurrence at the company. However, this dealer's purchase orders contained the exact model number, motor voltage, and additional hardware, which are all required as per the
dealer policy, rather than the standard, vague purchase order for a "MH500," without the important accompanying information. The standard situation, according to Mick, is much like this:

"I want a gym divider curtain, fold-up curtain 80' wide, 20' high." Oh, ok. Here’s the curtain, you make it, you ship it out and then they say, "Well hell, you didn’t provide any clamps!" You didn’t ask for clamps, you didn’t tell me how it was clamped.

In contrast to the standard order, in addition, this dealer had sent architectural drawings for each of the units and marked where the mat hoists were to be installed. This additional step drew several comments from Adam, Mick, and Larry—they were impressed at the dealer's thoroughness and attention to detail. I asked Mick and Larry if this was an experienced dealer, and they said he wasn’t, really—he’d only been with the company a few years. However, they added that he was a "good dealer” because he read the policy and followed its instructions. Following the instructions of the policy indicated that this dealer obviously had a shared repertoire with the COP, which earned him respect. Mick demonstrated his respect by personally calling the dealer and thanking him for the purchase orders, which was the only time I observed that behavior.

Another example of how product knowledge engages the permanently peripheral learning process can be found in a letter that Mick sent to the GymEquip dealers. The letter, excerpted here, has two phrases that are important and have been italicized:

GymEquip is modifying our policy terms in an effort to get more of your gym divider curtain and batting cage business. As a faithful dealer that has proven your status, we would invite you to consider one of the following two options that would replace our standard 50% advance for these products.

Mick wrote this letter, and it was approved by Larry and Adam. They are distinguishing the recipients of this letter from other dealers: these dealers are faithful and have proven
their status. Faithful here means that the dealers have gotten GymEquip products specified, met or exceeded the sales quota, remained current financially, and exhibited product knowledge. The proof of status could only be achieved by using the dealer policy boundary object as instructions for gaining product knowledge and engaging permanent peripheral participation in the community of practice.

The concept of faith, as demonstrated in this letter, is mimicked in the beginning of the dealer policy.

GymEquip anticipates dealers will aggressively represent our company and all products in good faith when working with owners and architects. Your good faith is demonstrated by fulfillment of this policy (italics added)

When I asked Mick about the meaning of good faith, he answered that good faith is when [the dealers are] telling the architect about a particular product, they know it. They understand how it operates and they feel it is better than the competition. [The dealers are telling the customer] that GymEquip makes a good quality product...this is the solution to your problem.

GymEquip dealers can only successfully communicate with a customer about the product line if the dealer knows enough about the products to answer the customer's questions. If the dealer does not convince the customer that GymEquip's products are the solution to the customer's problem, the dealer has lost the sale. As dealers lose sales, they jeopardize their peripheral participant status because GymEquip sees sales quotas go unmet and can then remove the dealer from the peripheral practice. The concept of good faith in the introduction to the dealer policy is only one example of how the dealer policy demands product knowledge from the dealers.

In the remainder of the chapter, I investigate the rest of the policy to determine how the dealer gains the shared repertoire of product knowledge. In addition, I connect
the importance of product knowledge to permanent peripheral participation’s success in the peripheral practice between the dealer and the COP.

How the policy demands product knowledge

When potential dealers contact GymEquip for product or pricing information, they must talk with Mick, the sales manager. In that conversation, Mick learns about the dealer’s company and usually the project that prompted the call. After the conversation, Mick usually faxes the dealer policy to the prospective dealer. The boundary object is en route. Now, the dealer must read, sign, and return the policy in order for the boundary object to be in place. Until the dealer returns the policy, GymEquip does not consider that company to be working with GymEquip.

GymEquip has a very specific organizational structure that places its dealers on the periphery: since the dealers are in all parts of the country, they do not visit the company site or meet in person with Adam, Mick, or Larry. The only connection these dealers have with GymEquip is through the dealer policy, the telephone, the fax, and occasional e-mail. The dealer policy is the only complete document the dealers receive that explains GymEquip’s expectations and shows the dealer how important product knowledge is to the dealer’s success. As we will see, the dealers can follow the instructions in the policy document or disregard these instructions, even though the policy functions additionally as a contract between the dealer company and GymEquip. Whether the dealer uses the instructions or not, the policy is still a boundary object.

7 Other documents the GymEquip dealers receive are primarily diagrams and wiring schematics for the various products. While these documents clearly contain information that would help the dealers gain knowledge about the products, none of these diagrams or wiring schematics urge the dealers to retain the knowledge for future use. As a result, Mick and Larry frequently send these documents at the dealers’ requests.
between their community of practice and the community of practice at GymEquip: it defines the boundary between the dealer and the COP in the peripheral practice and it explains how to be successful in this peripheral practice.

The revised 2000 dealer policy has eight instruction sections:

- specifications
- the sales quota
- pricing
- payment terms
- purchase orders
- production and shipping
- installation
- general

For the remainder of the chapter, I discuss how the sections are instructions whose goal is increasing dealer product knowledge. Within this discussion, I explore Adam, Mick, and Larry’s cultural assumptions and the beliefs that shape their understanding of those instructions. The impact of their cultural assumptions is important for two reasons. First, their assumptions were often the rationale for revising the dealer policy to make it more effective in communicating the importance of product knowledge. Second, their audience often does not ever share these cultural assumptions, and, thus, the audience’s understanding of the instructions could be less effective.
The specifications section of the 2000 policy is shown in Figure 4.2. The first two sentences of this instructional section are particularly revealing. First, the “We all” communicates a sense of inclusiveness to the dealer. When it comes to specifications, GymEquip and the dealer are equally invested in the activity, which is “involvement in the early planning stages of a project.” This activity is “crucial” because, as Larry stated in his second interview, “the most crucial stage of planning and development [is] to get us on the board as a spec or as equal.” Not only are specifications crucial, Mick claims that being specified as the primary manufacturer of the product is necessary for entry into the activity, the bid:

But, in order to be as efficient and get as many jobs as possible, you have to either be approved or be the spec. If you are the spec, then you get to play the game. If you are not approved or are not the spec, many architects don’t even let you play the game, so you’re not even going to be able to sell the thing.

---

8 In construction, the term "specifications" traditionally refers to an architect’s mandated requirements for a building and the components and products that go into that building. Companies must meet these specification requirements to sell their products to the general contractor in charge of the project. In this section of the dealer policy, GymEquip is referring to one aspect of the specification process, which is a manufacturer’s or their representative’s efforts to persuade an architect to use the manufacturer’s product specifications and therefore secure the manufacturer the preferred vendor designation. A preferred vendor designation reduces the amount of competition in the new construction job and increases the amount of profit a manufacturer may receive. In this industry’s jargon, getting the spec means receiving preferred vendor designation from the architect.
**Specifications:**
We all know that involvement in the early planning stages of a project is crucial. Thus, GymEquip expects active participation with the owner and architects to get GymEquip specified.

1. Dealers are expected to get GymEquip products specified for all projects.
2. Specifications of GymEquip “Mat Hoist” system is expected of dealers working with projects in which there are gymnastic and/or wrestling programs. The “Mat Hoist” systems provide a unique inside niche to the dealer.
3. If GymEquip products are not specified, acquire GymEquip approval as an equal, based on our manufactured product.
4. With adequate proof that you got GymEquip as the Spec, an additional price discount is available.

Figure 4.2: 2000 Dealer Policy Specifications Section.

In the second sentence of this section, GymEquip mentions itself in third person just before establishing the primary instruction: “active participation with the owner and architects to get GymEquip specified.” The primary instruction is further delineated in items 1, 2, and 3 in the list. Within these three items, the complicated history of GymEquip begins to be woven into the instructions—the policy (that is, the boundary object) not only communicates how the dealer should gain production knowledge, it shows the dealer key ways to successfully enter into the peripheral practice between the COP and each dealer. In separate interviews, Mick and Adam all stressed how important the Mat Hoist is to GymEquip’s success in their industry:

Adam: I do have a niche in the world with the mat hoist because I’m one of the two that make it.

Mick: We have a niche in the market with the mat hoist; only two of us make it.
That cultural sentiment is reflected in the second sentence of item 2 in Figure 4.2. Mick, Adam, and Larry's intent was to remind dealers that the Mat Hoist is a valuable product that should be exploited when going after specifications.

The history of item three is particularly interesting in this analysis of the boundary object because the phrase "based on our manufactured product" was added to the policy in response to lack of product knowledge by previous dealers. Larry has provided an explanation:

Well, [number 3 is] spawned by the fact that we get on occasion a dealer who will call in and ask, "Will you equal this?" specifically about the mat hoist, and want us to create a [mat hoist] frame the same way P. E. Company does. Well, no, we don't change our product to match any other manufacturer, especially the mat hoist.

The mat hoist cannot be modified because of its safety load test. According to Adam, the insurance company demanded the load test before insuring the installed product. Liability is so high that any modifications to the frame would result in another very expensive load test.

In this section of instructions to gain product knowledge, the dealer is offered some motivation in number 4: "With adequate proof that you got GymEquip as the Spec, an additional price discount is available." Mick said that this motivation was very intentional: "we also wanted to reward those dealers who did get us approved. ... and that's one way we can reward those dealers who do their job. We'll give them an extra $500 off the cost of the Mat Hoist, and that may be the difference between them getting the job and not." The reward would only go to those who "do their job." Apparently, doing their job means selling product by following the policy like one would follow instructions. If the dealer gets GymEquip approved, the dealer is very likely to sell the
product and increase their chances of meeting sales quota, which in turn improves the success of the peripheral practice between the dealer and the COP.

Specifications are the most important aspect of the life of a sale because they are the moment that an architect declares one company’s products appropriate and better for the customer than all other companies’ products. Since GymEquip is a manufacturing company, having its products listed as the specified manufacturer means it will get a purchase order. Because of this financial benefit, GymEquip requires its dealers to be diligent in acquiring approval from the architects. The dealer’s reward for following instructions could be winning the bid. However, a dealer can’t be successful in achieving specification unless he knows enough about the products to educate and appease the architect. Thus, the dealer must read the policy document to discover the other instructions that lead to product knowledge and successful peripheral participation.

Sales quota

The goal of these instructions is product knowledge, which impacts all areas of the dealer’s success and enculturation, especially the dealer’s sales record. The sales quota exists only for Team 1 dealers, those dealers who have enough product knowledge to meet the sales quota goals and engage successfully in permanent peripheral participation. Team 2 dealers, who are not enculturated and have not demonstrated their product knowledge, still need to improve their peripheral participation and thus do not have a sales quota; as the peripheral participation improves, as evidenced by sales totals, the dealer will be promoted to Team 1 status.

Although GymEquip divides their dealers into two categories, with Team 1 having more product knowledge than Team 2 dealers, both Team 1 and Team 2 dealers
are engaged in the peripheries of the community of practice formed by Adam, Mick, and Larry. The periphery is a fluid place for the dealers: they can advance from Team 2 to Team 1 status and, sometimes, are demoted from Team 1 to Team 2 status. However, the dealers are permanently engaged in the periphery of the community of practice because they can not become members of GymEquip and will never work so closely with Adam, Mick, and Larry that they are mutually engaged or in a joint enterprise, the other two criteria to form a community of practice.

The minimum yearly sales quota for all dealers was revised in the 2000 policy; Figures 4.3 and 4.4 below include the quotas from the 1999 policy and the Team 1 section of the 2000 policy.

<table>
<thead>
<tr>
<th>1999 Policy</th>
<th>2000 Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimum Yearly Quota:</strong></td>
<td><strong>Minimum Yearly Quota:</strong></td>
</tr>
<tr>
<td>Dealers are required to fulfill the following sales quotas. Those not willing to fulfill the quotas will not be allowed to purchase only the “Mat Hoist” systems.</td>
<td>Dealers are expected to fulfill the following sales quotas. Those not willing to fulfill the quotas will be a Team #2 dealer.</td>
</tr>
<tr>
<td>1. Three (3) “Mat Hoist” systems</td>
<td>1. Three (3) “Mat Hoist” systems</td>
</tr>
<tr>
<td>2. Three (3) fold up model gym divider curtains</td>
<td>2. Three (3) fold up model gym divider curtains</td>
</tr>
<tr>
<td>3. One (1) walk/draw curtain</td>
<td>3. One (1) walk/draw curtain</td>
</tr>
<tr>
<td>4. One (1) electric baseball batting cage</td>
<td>4. One (1) electric baseball batting cage</td>
</tr>
<tr>
<td>5. One (1) gymnasium floor cover</td>
<td>5. One (1) gymnasium floor cover</td>
</tr>
<tr>
<td></td>
<td>6. Or an annual minimum volume of $30,000 (evaluated quarterly)</td>
</tr>
<tr>
<td>Other standard products are obviously available to fulfill your needs.</td>
<td>Other standard products are obviously available to fulfill your needs.</td>
</tr>
</tbody>
</table>

Figure 4.3: 1999 Dealer Policy Quota
Figure 4.4: 2000 Dealer Policy Quota
According to Mick and Larry, in separate interviews, the 2000 quota listing was revised to say "or an annual minimum volume of $30,000" because the 1999 policy quota was unattainable for most of the dealers.

Mick: Some people were not signing up because they couldn't meet the quotas. So we redefined the quota as just an expectation, not an actual requirement. The actual requirement is get $30,000 worth of volume, I don't care how you do it.

Larry: The amount [of the quota]... I don't remember how we got it... actually, Adam came up with the amount after he accepted that we needed a dollar volume because not all those items are going to be sold [by our dealers]. And it also didn't shut out the person who sells a lot of Mat Hoists, but doesn't give a shit about the rest of the products that we manufacture.

The quota is a good example of how the boundary object can mean different things to different communities of practice. To GymEquip, the 1999 quota was necessary to prove the dealer's capabilities but to the dealers, the 1999 quota was unattainable, based on dealer performance in 1999 and comments dealers made to Mick and Larry, which they communicated to me during the second interview. GymEquip modified the 2000 policy to be more accommodating for the dealers. The success of the peripheral practice between the dealers and the COP depends on the Team 1 dealers following the instructions in the dealer policy and thus meeting their sales quotas. However, the change did not earn the dealers more respect within the community—the tone of Larry's last sentence reveals his bitterness with those dealers who want to sell nothing but the Mat Hoist.

**Pricing**

Because GymEquip's dealers are identified as either better (Team 1) or average (Team 2) in the 2000 policy, the policy visually separates the two categories. Therefore, some of the sections in the dealer policy offer different instructions. The pricing
category, shown in Figures 4.5 and 4.6, is one of these sections and offers all dealers a
place to interact in the peripheral practice between the dealer and the COP. And, as this
analysis shows, this section of the 2000 policy teaches all dealers how to conduct
permanent peripheral participation successfully.

<table>
<thead>
<tr>
<th>Team 1</th>
<th>Team 2</th>
</tr>
</thead>
</table>
| **Dealer Pricing**
GymEquip’s greatest support will be to active, full-line dealers who fulfill expectations.
1. Quotes can be computed with your supplied price information. GymEquip will gladly assist your efforts for complicated or unusual projects, upon receiving specific information from you.
2. GymEquip requires the following prior to any requests for assistance:
   a. Name of institute and address
   b. Estimated purchase or bid date
   c. Architect firm and name of architect in charge (where appropriate)
   d. Product attachment and clamps or any extras
   e. Copy of the Specs
3. Discounts may be available for multiple product packages that include the Mat Hoist.
4. Dealers will be notified 30 days prior to any price change.

Figure 4.5: 2000 Dealer Policy Team 1 Pricing

<table>
<thead>
<tr>
<th>Team 2</th>
</tr>
</thead>
</table>
| **All GymEquip products are available to you at a discounted price. Each job or product will be quoted on an individual basis; thus, you will need to contact our office for each respective job.**

**Dealer Pricing**

Quoting discount prices
1. GymEquip requires the following information prior to quoting on any job:
   a. Complete name and address of institute
   b. Estimated purchase date or bid date
   c. Architect firm and name of architect in charge (where applicable)
   d. Product attachment and clamps or any extras
   e. Copy of the Specs.
2. All quotes will be based on information provided by you.
3. Product pricing will be released after a thirty (30) day credit check.

Figure 4.6: 2000 Dealer Policy Team 2 Pricing
The most significant difference is located in the two sentences before Team 2's pricing guidelines and arrives at the heart of the distinction between Team 1 and Team 2 dealers. Adam, Mick, and Larry, who were frustrated in 1999 with some average dealers' lack of communication, decided that one way to reward communicative dealers was to allow them immediate pricing and "greatest support." Therefore, the punishment for Team 2 dealers was requiring their communication with the office for every job they bid. Since "each job or product will be quoted on an individual basis," the Team 2 dealer is forced to contact Mick or Larry by fax or phone for that price. The following quotes from Mick demonstrate how he is concentrating on rewarding the Team 1 dealer (he says "protected") and punishing the Team 2 dealer in this instruction section.

(Regarding item 3 in the Team 2 list)
It allows us to protect the Team 1 dealer. For example, say a Team 2 dealer calls in who didn’t know GymEquip from anyone, and they want to bid on this particular thing. Well then, you dance, you jump through the hoops to tell us all this information and then if we know that the same job a Team 1 dealer is bidding, we’ll make sure that [the Team 2 dealer] won’t get the really good pricing.

(Regarding item 3 in the Team 1 list)
But, if there were five curtains and two batting cages in there, we would discount it. There’s no Mat Hoist, but it’s still multiple products and its going to be $35,000 or $40,000, so let’s discount it. Especially if it’s a Team 1 dealer that wants to do it. If it’s a Team 2 dealer that comes in there, and we happen to be the specified manufacturer from an architect that just put us in there, [the Team 2 dealer is] not going to get the multiple discount unless we know that nobody else is bidding on it. So that’s another way of protecting the Team 1 dealer. Just because [the Team 2 dealer is] going to bid all our products doesn’t mean they’re going to get the package.

Team 2 dealers are categorized that way because they did not meet the expectations or follow the instruction of the dealer policy: they are not successfully engaging in permanent peripheral participation. Team 1 dealers did follow those instructions: they are
successfully enacting permanent peripheral participation. Both categories of dealers can read the reward and punishment in this document because then either category of dealer has the information needed to change his interaction within the peripheral practice; a dealer can use the boundary object to be a successful permanent peripheral participant.

*Payment terms*

The payment terms for Team 1 and Team 2 dealers are different in the 2000 policy because GymEquip was focusing on rewarding the Team 1 dealers for following instructions. Presumably, the Team 2 dealers were not following instructions and, therefore, were not going to be rewarded. In Figures 4.7 and 4.8, the payment terms section for each type of dealer are listed.

---

**Team 1**

**Advances/Payment Terms:**

1. A fifty percent (50%) advance is required prior to GymEquip placing a purchase order on the fabrication schedule.
2. Dealers in arrears must pay the remaining balance prior to shipping subsequent orders.
3. All dealers must pay any remaining balance in full within thirty (30) days from invoice date.

**4.** Once a dealer has met the yearly quotas, the 50% advance may be negotiated.

**Figure 4.7: 2000 Dealer Policy Team 1 Quota**

**Team 2**

**Advances/Payment Terms:**

1. A fifty percent (50%) advance is required prior to GymEquip placing a purchase order on the fabrication schedule.
2. Products will be shipped when the remaining 50% is received in our office.
3. A Team #2 Dealer who reaches the quota or $30,000 in sales, can then become a #1 Dealer and receive the respective benefits.

**Figure 4.8: 2000 Dealer Policy Team 2 Quota**
Interviews with Mick and Larry made clear that the final item in each of the payment terms sections is intended to motivate the dealers to sell more equipment. The two asterisks in front of number four in the Team 1 section are unique within the entire policy and serve to draw more attention to this motivational element. Mick explained why number four exists:

In order to get all [Team 1 dealers'] business we have to cater to them a little bit. And if they once meet the quota, then, I've had feedback from quite a few of them that say, "Hey, I can go borrow the money if I know that I'm not going to have to pay it all back right away."

GymEquip does understand that the relationship between it and its dealers needs to be flexible, and the company also seems to understand that dealers need motivation to follow the instructions listed in the policy. However, the use of the modal "may" is important because Adam does not want to give away the advance payment. The following interview excerpt demonstrates that he may not negotiate the advance payment even if the dealer does earn it:

Kelly: What if they did the $30,000?
Adam: That's to be a Team 1 dealer.
Kelly: What happens when the Team 1 dealer meets the $30,000 quota and it's like November?
Adam: He gets to be a Team 1 dealer next year,
Kelly: But he'll still have to pay that 50% advance?
Adam: Right. You got to remember what I think is the way it's going to go.
Kelly: Not necessarily what it says in this document...
Adam: No, what it says is that it is negotiable. What we're trying to do...from day 1 when I set up the dealer network, I based it on the fact that the dealer will be doing $50,000 [in annual sales]. And I think it's an achievable goal. I really truly believe that because by myself I was doing $800,000. And now I have a dealer network and I'm only doing $700,000? So are they really truly...
Kelly: Will the 50% advance be negotiated or not?
Adam: Yes, when they hit $50,000. That's my goal. But Mick and Larry don't know that.
Adam's blatant contradiction of his dealer policy reveals his power as owner of the company. Such a contradiction could indicate that dealers who do follow the policy's instructions and seek to become permanent peripheral members of the organization would not be able to be as successful as possible, if Adam didn't approve. Gatekeepers in communities of practice interact with boundary objects and can complicate that object's use: Here Adam is the gatekeeper and is contradicting his own policy document, the boundary object. Obviously, the object means something different to him than to the other members of the COP.

The final item in the Team 2 advances/payment terms instruction section is also intended to motivate Team 2 dealers. Mick and Larry, quoted from separate interviews, have similar explanations for the existence and placement of this instructional motivator:

Mick: The largest complaint from the dealers is that they have to pay 50% in advance, and they say that they get the products from other people without paying any advance. So, [the advances/payment terms section] is a good place to put it so that they realize that if they want to be a number one dealer, they have to establish a certain quota, or sell $30,000 in sales. Until then they are going to pay 50% and then the other 50% before it leaves the office because they haven't established any credibility with us.

Larry: I think [item 3] is another carrot. The primary carrot [Team 2 dealers] would respond to would be knowing that "I don't have to pay for the whole thing before it leaves GymEquip's door." It's really the only carrot there.

Larry uses the metaphor of "dangling the carrot" often when discussing the dealers, which may indicate that he believes the dealers need the motivation that exists along with penalties listed in the policy. Including motivational elements in the dealer policy demonstrates that GymEquip is working once again to modify this boundary object to be more usable and appealing to the peripheral participants, the dealers. GymEquip
genuinely wants the dealers to gain product knowledge and meet the instructions set out in the policy so that the peripheral practice is successful.

*Purchase orders*

If the dealer does not meet the expectations set out in the policy, frustrations between the dealer and GymEquip and within GymEquip can ensue. Those frustrations are a major impediment to the dealer's successful permanent peripheral participation because GymEquip is less likely to assist a dealer who doesn't meet its expectations. Assistance can frequently result in a more enjoyable experience for the dealer, which could result in future success in the peripheral practice. The third section of the 2000 policy contains the regulations for both Team 1 and Team 2 dealers and begins with the expectations and regulations for dealer purchase orders, listed in Figure 4.9.

**Figure 4.9: 2000 Dealer Policy Purchase Orders**

GymEquip prefers to have purchase orders in our office soon after you receive them. This greatly enhances our planning projections for fabrication and allows us time to make corrections based on your initial field verifications.

1. Correct catalog numbers for the product and model must be used along with appropriate descriptions.
2. GymEquip will return incorrect or incomplete purchase orders for correction or clarification.
3. All requested changes to an accepted purchase order must be in writing (no verbal changes).
4. Purchase orders need not be accompanied by the 50% advance, unless product is needed within the standard four (4) week production period.
In this sub-section, the first two sentences are a justification for the expectation to receive purchase orders soon after the dealer does. The subsequent four regulations describe what GymEquip expects in those purchase orders. I asked Mick about the regulations and how GymEquip benefited from adding them to the policy. Mick answered that

[The regulations] benefit everybody that’s involved with the project. The dealer so that we don’t have a confusion what actual product it is that you need, when does it need to be delivered so we can stay on top of it, so we can follow through and make sure everything is...all the requirements are met prior to getting the money or prior to getting the production. It’s there to remind them of the process.

The success of the peripheral practice depends on the dealer following the policy expectations; however, recognizing how GymEquip benefits from the dealer policies is important because these benefits establish the motivations the COP had for revising the dealer policy. As Mick indicates, all the communities of practice receive some benefit from these regulations. And, underlying this benefit is the need for the product knowledge to be able to complete the purchase order appropriately. As the dealers follow these expectations, they engage in practices that result in product knowledge. Increasing product knowledge further improves the success of the peripheral practice and the dealer’s permanent peripheral participation.

**Production/shipping**

Many of the revisions in the 2000 dealer policy occurred because dealers had problems consistently with certain areas of the policy: The dealers were not meeting expectations in the revised areas. Here the very history of the organization impacted the contents of the policy and changed how dealers are expected to view this boundary object. The two major changes to this instruction section have been italicized in Figure 4.10 and 4.11 below. A discussion of these changes follows.
1999 Policy
Production and Shipping:
1. Products are placed on the fabrication schedule upon receiving the 50% advance AND all relevant information needed to fabricate the product.
2. Standard products will ship within four weeks from receiving advance payment. Allow additional time during peak season and/or for any non-standard product.
3. All products FOB our factory with 3rd party billing to dealers.
4. Dealer is responsible for field measurements, job site control, and unloading/inspecting received product.
5. GymEquip is NOT responsible for damage incurred during shipment. Dealers must file claims with the freight company if product is delivered.

2000 Policy
Production and Shipping:
1. Products are placed on the fabrication schedule upon receiving the 50% advance AND all relevant information needed to fabricate the product.
2. Standard products will ship within (4) four weeks from receiving advance payment (allow additional time during peak season and/or for any non-standard product)
3. All products FOB our factory with 3rd party billing to dealers
4. Products damaged during shipping must be immediately assessed by the dealer. Claim damage of accepted freight is the responsibility of the dealer. The Dealer is then responsible for filing a freight claim.

The first change in this section is very minor one: the 2000 policy document puts parentheses around the second sentence of number 2 rather than leaving it as an independent sentence. When I asked Mick about this sentence, he focused on its content, rather than its presentation: [That sentence] protects us a little bit in case it is four weeks and two days; we can use the peak season as a crutch...And we just say on a non-standard product, it's something that we don't make all the time, so it probably might take a little longer. It seldom does happen, but at least it is in there as a safety clause.

When I pressed Mick and Larry about the significance of the parentheses, they insisted that they had no real reason for the change. Larry even indicated that it was a mistake.
However, comments from Mick and Larry about the revision process indicate that they may have had a purpose for the change.

During the revision process, Mick, Adam, and Larry each had different responsibilities. Mick claimed that he "spearheaded the project" and took primary control of making the changes to the policy. Larry indicated that he "soft-pedaled phrases as compared to Mick, who...wants to hit them in the jaw, and I just want to tap them on the shoulder." The difference between Mick and Larry's revision purposes was significant enough for Mick to characterize that difference in a similar way as Larry had:

Adam's role is final approval and input as far as what he wants the dealer to do, what he expects from the dealer. Larry gave some input and ideas on how to word it...so that it appears we are wanting to assist [the dealers] and help them make money, rather than [the policy] being such an autocratic piece of paper, which says this is what it is, if you don’t like it, go buy it somewhere else. That [autocracy is] basically the intent, but we didn’t want it to say that.

The inclusion of parentheses seems to achieve Mick and Larry's revision purposes because it softens the import of the phrase's meaning. Dealers who are used to GymEquip's standard four-week delivery schedule and plan around that schedule could lose time and therefore money if the product is held up for the two reasons listed. The reality of the situation would not change, but the dealer's reaction to this piece of information could be more positive and affirming.

The second change in this instructional section is more involved. Number four of the 1999 policy was moved to the "General" section of the 2000 policy because Mick and Larry determined that it had more to do with general job-site control, rather than the actual production or shipping of the product. Number five of the 1999 policy was revised
to become number four of the 2000 policy. Mick explained these modifications to the 1999 policy as they appear in the 2000 policy during his second interview:

the difference here is that we indicate that if the freight is accepted, then it's their responsibility. It's the freight carrier's and our responsibility until it gets there, once it gets there, then [the dealer has] to file a claim. We don’t know how the product got damaged or if it was damaged.

While the meaning behind the item in the 1999 policy is the same as the 2000 policy, its presentation is very different. The dealer is specified as the agent in each of the three sentences but was specified as the agent only once in the 1999 policy. In addition, the inclusion of "then" in the third sentence signals the order of events to the dealer. The ordering, therefore, makes the 2000 policy more explicit in its instructions, which could improve how the dealers use the boundary object to succeed in the peripheral practice of the COP.

Installation

In this instruction subset, only one thing was added to the 2000 version, which is italicized in Figure 4.12. This parenthetical phrase represents a history of frustrations with dealers, their installers, and job site electricians who can damage GymEquip's products. The dealers are being explicitly warned in a way that they should understand in very real terms: lost money and time. Mick commented on the warning in our interview:
Kelly: So [the parenthetical phrase is] to get through to the dealer that it's really in their best interests to make sure that [the demonstration sheet signings] happen?

Mick: Yes...some electricians or installers will lie or not tell you that they actually did this or did that, which is where the cause of the problem would be. By having a demo sheet the dealer can prove that when he left, the product was working. Then, when the electrician comes in, [he can say]: "I don't know what he did, but it doesn't work now."

<table>
<thead>
<tr>
<th>Installation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. GymEquip demands that all dealers use qualified installers. Dealers must supply GymEquip with their installation company's name, address, and telephone number.</td>
</tr>
<tr>
<td>2. Current insurance certificates of liability must be on file with GymEquip to cover installers prior to shipping products.</td>
</tr>
<tr>
<td>3. GymEquip supplies basic installation recommendations per product to dealers. It is the dealer's responsibility to get installation information to the installer. If we are to assist with difficult installations, we require a video accompanied with precise measurements and descriptions.</td>
</tr>
<tr>
<td>4. GymEquip is not responsible for job site electrical problems; the product is checked at the factory prior to shipping.</td>
</tr>
<tr>
<td>5. Once installation is complete, GymEquip recommends that dealers have a product demonstration sheet signed by an institute representative or contractor to protect all parties (electricians can cause you problems).</td>
</tr>
</tbody>
</table>

Figure 4.12: 2000 Dealer Policy Installation.

Other parts of the dealer policy have motivations for the Team 1 and 2 dealers, but this parenthetical phrase is both a motivation to use the demonstration sheet and a warning about the ramifications of not using the sheet. The reference to "problems" is designed to communicate the community of practice's history, which is one way that boundary objects connect to peripheral members.

Additionally, GymEquip understands that its dealers may not have enough product knowledge to be able to counter the electrician's claims that the product was faulty. One way to remain protected during that time is to use the demonstration sheet, as instructed by the dealer policy. Of course, once the dealers gain enough product
knowledge to understand how the electricians could cause them problems, they would not need the warning. However, including the warning could potentially save the dealers time and money, which GymEquip is sensitive to. Such sensitivity could also improve the success of the peripheral practice.

**General**

Each of the previous subsets of the dealer policy is designed to instruct the dealer on how to be a dealer; underlying each of the subsets is the assumption that the dealer must have product knowledge. GymEquip recognizes a dealer's permanent peripheral participation when that dealer gains enough product knowledge to create his own submittals and shop drawings, as mentioned in the first item in Figure 4.13 below. Yet, because product knowledge is so important to the company, one would think that GymEquip had incorporated specific and clearly stated expectations about product knowledge in several places in the dealer policy. However, the only explicit demand for product knowledge occurs in the final section of the policy, entitled “General,” listed in the box below. Placing that demand on the final page may also be less effective than desired because, at one point in our interviews, Mick stated that “many times a certain percentage of [dealers] never look at the last page.”
General:
1. Dealers are responsible for submittals and shop drawings. GymEquip will provide basic shop drawings to be used as needed. *This requires product knowledge, including knowledge of proper installation methods.*
2. Alteration of GymEquip products will void the warranty.
3. Costs incurred from any installation or electrical problems are not the responsibility of GymEquip.
4. All products are fabricated as ordered; there is no restocking.
5. We anticipate a yes or no response within a few days after sending you a lead. Your failure to communicate with us will affect our evaluation of you.

Figure 4.13: 2000 Dealer Policy General

Even though this is the only place that GymEquip explicitly states that the dealers must have product knowledge, analysis of the other subsets demonstrates how the cultural requirement of product knowledge pervades these subsets. As dealers attempt to complete each of the instruction sections, they will gain product knowledge and a deeper understanding of the nature of the peripheral practice they are engaged in with the COP. With this understanding, dealers become successful in their permanently peripheral participation.

As this chapter has shown, the dealer policy is a boundary object that communicates the need for product knowledge in the peripheral practice between the dealer and the COP. As the dealer gains product knowledge, his permanent peripheral participation becomes more successful and, thus, improves the quality of the peripheral practice and the relationship between GymEquip and the dealer. In the next and final chapter, I discuss the implications this study offers for corporate policy analysis and the implications this study offers for investigations of peripheral participation.
CHAPTER 5
CONCLUSION

The research question that guided my qualitative investigation asked

How does corporate policy reflect, impact, or address the relationship between the company creating the policy and the policy recipient?

In brief, this study argues that GymEquip dealers and the COP have a relationship that is based on permanent peripheral practice, which means that the dealers will never become a part of the COP because the dealers have only the shared repertoire of product knowledge—the share the COP is willing to make available. The resulting relationship depends on product knowledge to be successful. However, since joint enterprise and mutual engagement, the other two requirements of being a member of a community of practice, are missing in the peripheral practice, a tangible boundary exists between GymEquip's dealers and the COP of Adam, Mick, and Larry. As the dealers gain product knowledge, they can permeate the peripheral practice, but they cannot cross the boundary into the COP. The analysis of the dealer policy identified how the policy acted as a physical representation of this boundary through specifically instructing dealers to gain product knowledge in specific ways. If the dealers gain the product knowledge, the peripheral practice will be successful.

Furthermore, this study demonstrates that the relationship between GymEquip and its dealers arises from the peripheral participation that Adam, Mick, and Larry undergo with the dealers. As the dealers use the policy as an instruction set to gain product knowledge, the peripheral practice, and hence the relationship, improves. In addition,
certain areas of the dealer policy reflect the history of the relationship between GymEquip and the dealers; usually such historical references are focused on improving present and future peripheral practice.

In this section, I argue that corporate policy analysis should consider how policies must change to encourage and foster the relationship between the company and the policy recipient. In addition, I posit that more investigation of permanent peripheral participation should occur, primarily because more and more of today's corporations depend on successful permanent peripheral participation of external stakeholders who can never enter into the communities of practice that form the corporations.

**Practicing corporate policy analysis**

Corporate policy document decisions made by professional communicators and policy writers should consider how the policies must change, particularly when those policies are directed to communities of practice that are only loosely associated with the company originating the policy. The analysis of corporate policy documents can be greatly improved by understanding what the communities of practices need to use the documents successfully. In GymEquip's case, several places in the dealer policy directly considered the recipient. The history of the organization, the dealers, and the experiences of all communities of practice affected by the policy impacted the revision of the policy; the revisions were made to improve communications between the recipients and, thus, the relationship between the recipients and GymEquip. GymEquip's belief in the value and supreme importance of product knowledge pervades the document implicitly and is stated
once explicitly. As discussed in Chapter 4, the dealers must gain product knowledge to engage in the peripheral practice successfully.

If corporate policies directed at organizations loosely associated with the community of practice creating the policy are central to improving peripheral practices, analysis of the policy could be based in assessing the success of the practices that are occurring. In Figure 5.1 below, we see peripheral practice failing to be successful because of ineffective policy. In GymEquip's case, the 1999 policy was not communicating content, structure, or meaning in a way that allowed the recipient to interact successfully. GymEquip revised their policy so that the policy would be more effective and the peripheral practice would improve.

Figure 5.1: If the COP cannot communicate, the policy recipient cannot interact in the peripheral practice, making the practice unsuccessful.
The arrows in the figure above represent the COP and the recipient attempting to work within the peripheral practice. However, the arrows cannot enter the peripheral practice, rendering the permanent peripheral participation of the COP and the policy recipient unsuccessful. Policy writers and professional communicators can analyze policy effectiveness by determining if policy content, structure, and understanding are being communicated to the recipient. A primary method of assessing such communication is through user testing.

If the policy is successful at communicating the originating organization's needs, the peripheral practice, in turn, can be successful. In Figure 5.2, we can see that the arrows representing the practices of the COP and the recipient are allowed to enter the peripheral practice, because the corporate policy has communicated the policy content, structure, and understanding effectively.

Figure 5.2: If the COP communicates, the policy recipient will be able to interact in the peripheral practice, making the practice successful.
If corporate policy documents communicate effectively to the recipients, peripheral practice these recipients are engaged in should be successful and the relationship between the communities of practice should improve. One way to determine if the policy is communicating, or if the peripheral practice is working, is to conduct user testing of the policy documents. User testing, often used in creating successful instruction documents, would require policy writers to assess how the policy recipients interact with, use, and understand the policy. Since the external or distant policy recipients have few resources to gain the information contained in the policy and since the information in the policy is important to the corporation, the policy must effectively communicate what it is supposed to communicate.

**Investigating permanent peripheral participation**

According to Wenger, “peripheries...refer to continuities, to areas of overlap and connections, to windows and meeting places, and to organized and casual possibilities for participation offered to outsiders or newcomers” (120). In Wenger's vision, outsiders on peripheries would remain constantly outside because the continuity of the overlap and connection between the communities of practice participating peripherally. The outsiders cannot enter the other community of practice and cannot become full members of that community of practice. The newcomers, as they gain a shared repertoire, joint enterprise, and mutual engagement with the community of practice, can move from the periphery of the community into the core of the community.
At GymEquip, the dealers will not be members of the COP because they can gain only shared repertoire of product knowledge. The process of gaining product knowledge can be fast or slow, depending largely on the dealer’s understanding and use of the boundary object dealer policy. During this process of gaining knowledge, the dealers are engaged in peripheral practice with the COP. I argue here that this practice occurs successfully through permanent peripheral participation: the process by which the dealer continually gains shared repertoire in a permanently peripheral position. The important difference between permanent peripheral participation and legitimate peripheral participation is that permanent peripheral participation will never culminate in full membership, but legitimate peripheral participation can.

Any organization that has stakeholders who interact through peripheral practice and who will not enter the community of practice at the organization can benefit from understanding permanent peripheral participation. Learning through practice is still occurring on the periphery and the outcome of the gained knowledge is usually important to the success of the peripheral practice. Just as organizations can improve and enact legitimate peripheral participation opportunities, organizations can also improve and enact permanent peripheral participation opportunities. In many cases, such opportunities can arise in written communication, perhaps through a corporate policy document intended for peripheral stakeholders.

In conclusion, GymEquip’s dealer policy is a boundary object that, when followed, seemed to improve permanent peripheral participation and increase the success of the peripheral practice between the dealer and the COP, according to Mick, Adam, and
Larry's perceptions. In addition, that community of practice adapted the dealer policy to improve their relationship in two ways: (a) more effectively communicate to the dealers how to gain the shared repertoire of product knowledge; (b) warn the dealers what could happen if product knowledge was not gained. As a result, the boundary object engaged permanent peripheral participation and improved the peripheral practice.
GYMEQUIP DEALER NETWORK AND POLICIES

Our Dealer network is composed of Team #1 dealers or Team #2 dealers. Each dealer status has respective responsibilities and expectations. These are described in the following text. GymEquip anticipates dealers will aggressively represent our company and all products in good faith when working with owners and architects. Your good faith is demonstrated by fulfillment of this policy.

Specifications:
We all know that involvement in the early planning stages of a project is crucial. Thus, GymEquip expects active participation with the owner and architects to get GymEquip specified.
1. Dealers are expected to get GymEquip products specified for all projects.
2. Specifications of GymEquip “Mat Hoist” system is expected of dealers working with projects in which there are gymnastic and/or wrestling programs. The “Mat Hoist” systems provide a unique inside niche to the dealer.
3. If GymEquip products are not specified, acquire GymEquip approval as an equal, based on our manufactured product.
4. With adequate proof that you got GymEquip as the Spec, an additional price discount is available.

Team #1 Dealers

Minimum Yearly Quota:
Dealers are expected to fulfill the following sales quotas. Those not willing to fulfill the quotas will be a Team #2 dealer.
1. Three (3) “Mat Hoist” systems
2. Three (3) fold up model gym divider curtains
3. One (1) walk/draw curtain
4. One (1) electric baseball batting cage
5. One (1) gymnasium floor cover
6. Or an annual minimum volume of $30,000 (evaluated quarterly)

Other standard products are obviously available to fulfill your needs.

Dealer Pricing
GymEquip’s greatest support will be to active, full-line dealers who fulfill expectations.
1. Quotes can be computed with your supplied price information. GymEquip will gladly assist your efforts for complicated or unusual projects, upon receiving specific information from you.

2. GymEquip requires the following prior to any requests for assistance:
   a. Name of institute and address
   b. Estimated purchase or bid date
   c. Architect firm and name of architect in charge (where appropriate)
   d. Product attachment and clamps or any extras
   e. Copy of the Specs

3. Discounts may be available for multiple product packages that include the Mat Hoist.

4. Dealers will be notified 30 days prior to any price change.

**Advances/Payment Terms:**

1. A fifty percent (50%) advance is required prior to GymEquip placing a purchase order on the fabrication schedule.

2. Dealers in arrears must pay the remaining balance prior to shipping subsequent orders.

3. All dealers must pay any remaining balance in full within thirty (30) days from invoice date.

**4.** Once a dealer has met the yearly quotas, the 50% advance may be negotiated.

**Team #2 Dealers**

All new dealers begin as Team #2, and can advance to Team #1

All GymEquip products are available to you at a discounted price. Each job or product will be quoted on an individual basis; thus, you will need to contact our office for each respective job.

**Dealer Pricing**

**Quoting discount prices**

1. GymEquip requires the following information prior to quoting on any job:
   a. Complete name and address of institute
   b. Estimated purchase date or bid date
   c. Architect firm and name of architect in charge (where applicable)
   d. Product attachment and clamps or any extras
   e. Copy of the Specs.

2. All quotes will be based on information provided by you.

3. Product pricing will be released after a thirty (30) day credit check.

**Advances/Payment Terms:**

1. A fifty percent (50%) advance is required prior to GymEquip placing a purchase order on the fabrication schedule.

2. Products will be shipped when the remaining 50% is received in our office.
3. A Team #2 Dealer who reaches the quota or $30,000 in sales, can then become a #1 Dealer and receive the respective benefits.

**Team #1 and Team #2 Dealers**

**Dealer Purchase Orders**
GymEquip prefers to have purchase orders in our office soon after you receive them. This greatly enhances our planning projections for fabrication and allows us time to make corrections based on your initial field verifications.

1. Correct catalog numbers for the product and model must be used along with appropriate descriptions.
2. GymEquip will return incorrect or incomplete purchase orders for correction or clarification.
3. All requested changes to an accepted purchase order must be in writing (no verbal changes).
4. Purchase orders need not be accompanied by the 50% advance, unless product is needed within the standard four (4) week production period.

**Production and Shipping:**
1. Products are placed on the fabrication schedule upon receiving the 50% advance AND all relevant information needed to fabricate the product.
2. Standard products will ship within (4) our weeks from receiving advance payment (allow additional time during peak season and/or for any non-standard product).
3. All products FOB our factory with 3rd party billing to dealers.
4. Products damaged during shipping must be immediately assessed by the dealer. Claim damage of accepted freight is the responsibility of the dealer. The Dealer is then responsible for filing a freight claim.

**Installation:**
1. GymEquip demands that all dealers use qualified installers. Dealers must supply GymEquip with their installation company's name, address, and telephone number.
2. Current insurance certificates of liability must be on file with GymEquip to cover installers prior to shipping products.
3. GymEquip supplies basic installation recommendations per product to dealers. It is the dealer's responsibility to get installation information to the installer. If we are to assist with difficult installations, we require a video accompanied with precise measurements and descriptions.
4. GymEquip is not responsible for job site electrical problems; the product is checked at the factory prior to shipping.
5. Once installation is complete, GymEquip recommends that dealers have a product demonstration sheet signed by an institute representative or contractor to protect all parties (electricians can cause you problems).
Territories:
GymEquip does not restrict a dealer’s selling territory. Dealer territories are determined by your in-house restrictions.

GymEquip Support:
1. GymEquip advertises in a variety of national publications. Even though dealers are responsible for contacting architects, we do send product data and your name to architects that are in our database.
2. Strongest support is given to those Dealers that consistently get GymEquip products as the specification or approved equal.
3. Leads and referrals will be sent to those dealers that illustrate activity and have a successful sales record.
4. Any lead that a dealer generates will not be passed onto another dealer by GymEquip

General:
1. Dealers are responsible for submittals and shop drawings. GymEquip will provide basic shop drawings to be used as needed. This requires product knowledge, including knowledge of proper installation methods.
2. Alteration of GymEquip products will void the warranty.
3. Costs incurred from any installation or electrical problems are not the responsibility of GymEquip.
4. All products are fabricated as ordered; there is no restocking.
5. We anticipate a yes or no response within a few days after sending you a lead. Your failure to communicate with us will affect our evaluation of you.

This is your copy of the “DEALER POLICIES”.

As a prospective dealer for GymEquip, I have read these policies and understand them. By signing below I indicate that my company will meet GymEquip expectations, and will not copy nor infringe upon any GymEquip products or the GymEquip name.

__________________________________________  _________________________________________
Company Name                                      President/Owner Signature

Date: ___________________________     Title: ________________________________
APPENDIX B

OBSERVATIONAL NOTES EXCERPT

6/30/00 Observational notes

After Larry's second interview
After interviewing Larry, it seems that the policy is working solely to dictate to the dealers their duties, which are many. The dealers are resisting this policy's aspects that do not directly affect purchasing the products (communications, specification/approval). The policy does accurately reflect Adam's views about the dealers. Larry attests that GymEquip is Adam. (This supports the suspicions I had after the first round of interviews). The policy seems to be, in some ways, a reprimand to the dealers. If we explore the concept of fluid corporate boundaries, then the policy is designed to delineate what those boundaries are. And, the delineation is a strict, forceful "punch in the jaw" (Larry's words).

So, if we look at this rhetorical document, it's function is to discipline AND enjoin the dealers. I don't think either element is actually achieved. The rhetoric of discipline is evident in most of the policy's sections. The rhetoric of enjoining occurs mostly in the new additions to the 2000 policy. According to Mick and Larry, that rhetoric was added at Larry's request. However, I am getting the sense that Mick and Adam agree that the dealers need to be enjoined to do a better job.

The success or failure of the policy is hard to determine at this point, but there is definitely a contradiction in the rhetoric. I've pointed out this contradiction to Mick and to Larry, but neither one of them "see" it. Probably because GymEquip's corporate culture is steeped in these very strong contradictions. Again, the boundaries of the company, of employee duties, and of corporation/owner are so blurred that the contradictions can move smoothly from one side to the other.

Impact on future interviews:
I don't think that re-writing some of the sections to incorporate more of the "enjoining" rhetoric will be very useful, especially since the interviewees don't see the contradiction between the two types of rhetoric their policy uses. Instead, I think that continued questioning about the role and purpose of the dealer policy, the dealers, and the nature of GymEquip will bring interesting things to light.

Afternoon activities
Larry spent much of the afternoon working with a new dealer. He sent pages and pages of faxes about the technicalities and selling points of the Mat Hoist, hand-written of course. Adam berated him at 2:00; Adam doesn't want information about the Mat Hoist to go out in Larry's handwritten notes. "We're professional and that's not professional." Anna, a part-time afternoon office clerk heard the comment and after Adam left the room, offered to type the notes for Larry. He declined.
The new dealer called Larry 3 times this afternoon—each time in response to one of the faxes. However, the last phone call focused on the dealer policy. Mick turned in his seat to listen to the conversation, I think. He asked Larry if the new dealer was going to get GymEquip’s hoist specified on an up-coming job. Larry responded with: "He should, for all the information I’m giving him." I’d like to track this job and dealer, if the job comes through next month.
APPENDIX C

INTERVIEW ONE EXERPT

Larry 6/7/2000 Interview 1

1 K: What is your name and position at GymEquip?
2 L: Larry Anderson, Sales.
3 How long have you worked with GymEquip.
4 Heading into year number three.
5 Can you describe a little what being a salesman for GymEquip entails?
6 Maybe that should be a two pronged answer: what it is supposed to entail and what it
does entail. As is my understanding, and it is often repeated by the owner we’re supposed
to be primarily working through our dealership and working across the united states and
that is to be our primary function. That, in actuality, is not really how it works in its
entirety. A great amount of the time is spent by individual salespeople on the phone
making personal contacts with potential customers, rather than through the dealership.
7 Ok. What does GymEquip do?
8 Manufacturing firm of limited gymnasium items.
9 Ok. Um, but although it’s a manufacturing firm, sales still happens in house?
10 I would assume every factory has to have some kind of representation going on
representing sales. In this instance, there are some sales that take place in house.
11 OK. How would you describe what GymEquip does to someone outside of the
manufacturing industry, or this industry?
12 Well, I would probably open up with what I just said a little while ago and the fact that
we manufacture a limited number of gymnasium items and then elaborate that basically
the backbone—sort of the origin of the company—was created with the mat hoist, stores
wrestling mats, could be gymnasium mats or some other use, at the ceiling level.
Basically it’s occupying a space in the school system that’s unused. From that drew other
items which include three models of gymnasium divider curtains, a couple of models of
indoor baseball batting cages stores at the ceiling level, floor covers, permanent wall pads
such as you’d see behind the basketball boards in the gymnasium or in the wrestling
room. Protective weight throwing cage which is designed specifically for a new NCAA
track event. I think that’s it....Wrestling mats, and basically the second item after the mat
hoist that Adam Nacin, the owner, got into.
13 If you could only describe GymEquip in key phrases or key words, what would those be?
14 In reference to? Being limited geographically to just the factory or to it’s function?
15 Either one, both. If they are separate, then give me some key words for both.
I think from the national standpoint that uh, the key phrase would be that it's a national sales company and factory representing... I don’t know how to state that.... Um, within the chain link fence of the factory itself, I'd say it’s closely knit unit. That give and take flows pretty evenly back and forth between people.

17 Is it just close knit within the office and then separate from the manufacturing element?

18 Well I think it’s between the ownership and the plant superintendent, in charge of actual production out back, that it is close. They have a very close and understanding working relationship, based upon the fact that the owner knows how to manufacture. So they can communicate effectively, I think maybe some production workers on down the line aren’t as close to Adam. That’s really not his position, he wants to keep a little wall of isolation there.

19 Why did you chose those phrases or key words? Especially why did you choose that separation between how GymEquip is within the chain-link fence and how GymEquip is nationally?

20 Well, I think because it’s a small factory... within the chain link fence, it’s a small factory. That, you can have bonding; you understand each other, the fact that you’re there in a close environment and it’s just a few workers... I guess those that are uncomfortable leave. Um, on a national level, you really don’t have an opportunity to create a good solid relationship. At best you get a good cordial telephone relationship.

21 Who are GymEquip’s customers?

22 Ultimately, primarily school systems. We would prefer not to be working directly with schools; we prefer our dealers do it. Our customer should be our dealer. Due to the inefficiency of our dealers, our customer frequently is the school system itself.
BIBLIOGRAPHY


