

## **How incentive systems arrived in Sweden – a tale of travelling ideas and ghost myths in action**

### **Abstract**

This paper describes and explains how and why incentive systems began spreading in Sweden, despite the differences between the dominating values in American (where incentive systems originated) and Swedish business life. However, a ghost myth in Sweden's national business system explains why it happened when it did. Theories on travelling ideas underemphasize the fact that organisations/countries hold different and competing ideas of suitable practices at the same time. Ghost myths are important complementary concepts which focus on the activation of alternative ways of acting (ghost myth) when contextual circumstances allow for a shift in practices. This research is based on a hermeneutic and qualitative approach using texts and interviews and highlights the role of ghost myths in terms of how ideas travel and how they are translated in different contexts.

**Key words:** Incentive system, translation, ghost myth, imitation, national business system, travelling ideas, Sweden, management fashion, income distribution

### **Introduction**

Considering the differences between the dominating values in American and Swedish business life (Inglehart, 1997), it was unlikely that incentive systems which truly represent the core of American business values (Merchant and van der Stede, 2012) would become a natural part of Swedish business life. In Sweden, incentive systems were long considered to be unnecessary. The belief up to the late 1980s was that the work in itself should be enough to spur one perform well and in a devoted manner (see Osterloh et al., 2001). And yet, incentive systems have now become a standard part of most remuneration packages for key employees. So, what made a phenomenon like incentive systems catch on and spread, despite the potential clash between Swedish work-life values and a general lack of amenability to such thoughts?: This study aims to describe and explain how and why.

We suggest that the transition can be described in terms of travelling ideas by imitation (Czarniawska and Joerges, 1996; Czarniawska and Sevon, 1996; Czarniawska and Sevon, 2005; Logue et al., 2015; Røvik, 1996; Røvik, 2000) but that the ghost myth concept (Jönsson and Lundin, 1977) is an important part of the explanation, since it clarifies how and why incentive systems could become a natural part of the Swedish national business system at that particular time. The argument here is that theories of travelling ideas can be complemented with the concept of ghost myths. Furthermore, we illustrate that ghost myths do not only exist on an organizational level, but can be a part of a national business system (see Haake, 2002). These theoretical explanations contribute to the general understanding of the introduction and spreading of new management ideas in different contexts.

### **Travelling ideas and ghost myths in national business systems**

The notion that ideas travel is not new. A vital aspect of globalization rests upon the notion that management (and other, more general) practices are spreading all over the world (Robertson, 1992). However, long before the term globalization was ever used, striving for improvements by borrowing ideas from others prevailed. Sevón (1996) rests on Merton (1985) when stating that we live in times when very few ideas are original and new. Most ideas originated in the past and we use and re-use many ideas over and over again, in slightly modified ways and different contexts. The translation concept is being applied more and more frequently to explain this process (Buck et al., 2004; Czarniawska and Sevón, 2005; Örtenblad, 2010). Hence translation is not merely a process of changing languages, but an adaptation and sense-making process in which some thoughts and ideas travel through time and space to new places (countries, companies) in new times, fitted into a new context (Latour, 1986; Logue et al., 2015). A basic component of such a translation is imitation (Sevón, 1996). In Western societies we are especially keen on imitating ideas and practices of people and organizations that appear heroic (ibid.). These heroes constitute our role models, as admirable, successful individuals or companies. Imitation is a “fundamental learning mechanism” (Czarniawska and Sevón, 2005, p. 9), but how do we know what to imitate, among all the possible activities and ideas that surround us? Tarde (1890/1962) claims that we imitate what is perceived to be superior, thus we imitate those (people, organizations, countries) we believe to be better looking, more knowledgeable, smarter, more efficient or profitable than ourselves. So, how do we find out what is desirable to imitate? Several authors have suggested the strong impact of fashion, even for seemingly rational processes like running a business (Blumer, 1969; Czarniawska and Sevón, 2005; Simmel, 1904/1971; Tarde, 1890/1962). They claim that business leaders are sensitive to what is fashionable in various industries, and are keen to imitate the considered new and exciting ideas, methods, systems and procedures. Ideas that are connected to prestigious scientific communities are seen as particularly reliable and modern and thus followable. This implies a symbiotic relationship between research and management. Management researchers frequently study new management fashions normatively, descriptively and/or critically. However, criticism by other researchers may eventually lead to the disappearance of a management fashion and the appearance of another, which suggests research and management tend to surf on the same, or at least parallel, fashion waves (Andersson, 2008). Imitation of what is allegedly superior is an important way for company executives to demonstrate they are in the forefront of constant development and are striving for enhanced efficiency of their enterprises. This creates excellent business opportunities for management consultants, guiding company executives to the “right” ideas and, at the same time, providing the proper solutions on how to implement the new ideas (Czarniawska-Joerges, 1990; Huff, 1982; Madsen, 2014; March, 1991; Sevón, 1996). The implementation can be seen as the part in the translation process where ideas transform and become practice. Ideas have to become a representation inside an organization if they are to “stick”. “A practice not stabilized by a technology, be it a linguistic technology, cannot last: it is bound to be ephemeral” (Czarniawska and Sevón, 2005, p. 9). Thus, ideas of incentive systems are manifested in remuneration policies, systematized in compensation and benefit packages. By being included in the payment systems, they transcend from ideas to a manifestation of extra payments to an individual employee. Once implemented, effort is required to remove such incentive systems, or even to adjust them as the impact would not be to the liking of the incentive receivers.

Although the original thoughts on travelling ideas by imitation have been fruitful, they neglect the fact that an organisation often simultaneously houses more than one idea of how operations should be run (Frigotto et al., 2013). One of these operational ideas normally dominates the actions within the organisation, while the alternative might lurk in the background waiting to be activated in turbulent times when hardship hits. Most organisations prevail in a conviction of current organisational practices, while hosting at the same time, alternative ideas that might replace the prevailing beliefs if the right circumstances occur, and thereby be perceived as innovations (see Busco et al., 2014; Örtenblad, 2007). Jönsson and Lundin (1977, p. 163) call the prevailing set of organisational beliefs the current *myth* and the alternative, the *ghost myth*: “The prevailing myth is one that presently guides behaviour of the individuals at the same time that it justifies their behaviour to themselves. Doubts as to the appropriateness of reasoning and actions foster the emergence of ghost myths”. Organisational myths and ghost myths should not be interpreted in terms of good or bad perceptions in organisations. They are just sets of beliefs on organisational structures, procedures and ways of working (Jönsson and Lundin, 1977). As long as the current state of affairs of the organisation is proceeding according to plan, the prevailing myth is guiding the actions of the organisational members. However, when things change, especially in times of crisis or other occurrences that entice the organisation members to question the prevailing myth, the ghost myth might be put into action as a possible remedy for the experienced problems, thus replacing the previous myth, often without too much of a struggle (Hedberg and Jönsson, 1978).

Ghost myth as a concept was previously used exclusively at the organizational level, but in this paper we claim that myths and ghost myths exist further up, at national level. National business systems (Haake, 2002) illustrate how country-specific patterns can be created by historical patterns and interdependence between specific characteristics of the country such as the political sector, governmental institutions, labour unions, financial institutions, private business etc. Country-specific patterns are important because the most generalizable models appear to lack applicability across countries (Westover, 2014). Management fashions can have very different consequences in different countries depending on the national business systems (Andersson et al., 2011). In this paper, we illustrate how a national business system can host both myths and ghost myths which can explain country-specific characteristics of translating management fashions and ideas. This is an important contribution, since “Why here? Why now?” are central questions in understanding why particular fashions are spread at specific times and places (Czarniawska and Sevón, 2005). Myths and ghost myths are concepts that help in understanding what people in the actual place (country) think they need at that time, termed by Sella (1994) as: the time collective.

## **Method**

The hermeneutic circle has influenced our research process, implying that the meaning of a part can only be understood in a rich way if it is related to the whole, that is, other facts known about the object, its context and its history (Alvesson and Skoldberg, 2009). We started with some parts (texts and cases) and tentatively related them to the whole (the development of Swedish work-life), thereby channelling new thoughts which helped us see the larger picture with all the details. We then returned to the texts and cases (existing and new) and extracted new meanings from them with

this new picture of the development of Swedish work-life in mind. Consequently, as Radnitzky (1970) points out, the hermeneutic circle is not a circle when translated to the research process, but rather a spiral. Shifting alternately between the whole and the parts gradually creates a deeper and deeper understanding.

This approach constitutes (1) an interview-based study of experts and business people with long and solid experience of remuneration issues and (2) texts that describe the development of Swedish work-life relevant to understanding the introduction and spread of incentive systems in Sweden. The selection of interviewees was based on a qualitative approach with the ambition to cover different qualities. This means that interviewees were selected from organizations/parties with different opinions of incentive systems on the one hand and people with long experience of business-life and with first-hand experience of the introduction and the spreading of incentive systems in Sweden on the other hand. Thus, the interviewed people had diverse backgrounds: HR specialists, experts on the subject of incentive systems, partners in internationally well-renowned consultancy firms, investors in pension funds (making decisions on remuneration for business leaders), officers at the ministry of finance (governing remuneration in state controlled businesses like banks and finance and state owned companies), researchers and investigators at trade unions (an employee perspective), employer organizations (an employer perspective), other groups that have had an impact on the introduction of incentive systems, or have themselves been high-level executives in various lines of Swedish business and thus have been involved in the process of deciding on incentive systems for others and/or are subject to receiving bonuses of different types. The latter category included executives (directors, president/CEO, chairman of the board) of different large Swedish publicly listed corporations or are partners at international consultancy firms. A list of interviewees is presented as an appendix.

18 people were interviewed. All the interviews were audio recorded and the conversations were transcribed. The transcripts were read and the recordings were listened to repeatedly as a part of our interpretation process. Since the different interviewees were interviewed in different settings by one, two or all three researchers, the authors discussed the interviews and distributed them amongst each other, enhancing our interpretation and understanding of the material in the interviews.

### **Incentive systems in compensation packages: from odd to standard occurrence**

Incentive systems in Sweden were odd occurrences until the 1980s; the societal climate, or *zeitgeist*, was explicitly egalitarian and the income gap was closing until 1980 (Björklund and Jäntti, 2011). The rather few examples of bonus systems was limited to sales representatives; if some kind of incentive system, like profit sharing, was implemented in private companies, for example in Svenska Handelsbanken and Volvo in the 1970s and 1980s, the conditions stated operative staff were to receive the same amount of bonus as executives in an egalitarian manner (Wallander, 2003). However, it was about to change nationally in the 1980's due to international influences. Incentive systems transitioned from a rare occurrence to a natural part of the compensation package in Sweden and the trend is increasing. This was not isolated as most of Europe was adapting this American ideal of paying for performance (e.g. Buck et al., 2004; Ferrero-Ferrero et al., 2014; Jansen et al., 2009).

Furthermore, it has been spreading to other organizational echelons such as lower levels in the hierarchy and new work groups (WatsonWyatt, 2005; 2007, Öhrlings PWC, 2008). Incentive systems are not only becoming more common, they are also becoming more sophisticated, moving towards greater flexibility and variability (Stredwick, 2000). We will now describe and explain this unexpected spread in Swedish work life.

#### *Characteristics of Swedish business life: influential business spheres*

To understand the ways in which the ideas of incentive systems travelled from other countries to Sweden, it is helpful to picture some of the basic characteristics of Swedish business. From an international perspective, Sweden is a relatively small country with just under ten million inhabitants. It has a concentrated core of a few large companies that had, and still continue to have, a stark impact on how things are run inside corporations. The private business sector consists of about one million privately owned companies, of which 95 per cent has between 0 – 9 employees, and only about 1 000 companies with more than 250 employees (Ekonomifakta, 2013). Many of these larger companies belong to few business spheres, where ownership and old friendly links exist between the different companies in a particular sphere. Some of these large spheres, e.g. the Wallenberg sphere (named after the Wallenberg family, which has been in business for more than 150 years), exercise far-reaching influence on Sweden's business life through equity ownership and board representation in several of the largest companies (Hägg, 2013; Olsson, 2001). Among the numerous enterprises in the Wallenberg sphere are Ericsson (telecommunication), SKF (bearings), Electrolux (white goods), Atlas Copco (drilling- and mining equipment), Scania (trucks), SAAB (defence-/weapon systems) and SEB (bank). The different business spheres in Sweden are highly influenced by a relatively small group of people, some even by a single dominant individual. So if the key individual(s) in a sphere believe/-s in the ghost myth of the possible positive outcomes by increasing the compensation of the top executives in the companies of the sphere, the change may be rapid in the right circumstances because of the authority structure of the stakeholders (Carney et al., 2011). That is what happened during the transition period in the 1970s and the 1980s.

#### *Income distribution in Sweden: myth and ghost myth*

The domestic industry has had a long period of development and growth, starting in the mid-1930s (when Sweden was still a rural and rather poor country) due to labour market stability. After 1945, Sweden encountered a massive increase in demand for numerous products because the country had not been active in the Second World War. The intact industry could satisfy the demand by increasing production year after year, thereby creating prosperity for a vast majority of the inhabitants. However, the distribution of the growing wealth was a major concern for the reigning politicians. Consequently, the wage- and salary span was systematically reduced during the long reign (40+ years of unbroken government) of the Social Democrats (until the 1970s), with a peak in income equality in 1980 (Björklund and Jäntti, 2011). The growth in equal wealth distribution was managed by a grand agreement between the Social Democratic party and the business peak associations/employers (Eriksson, 2014), and the centralized trade union; the trade unions promised there would be no strikes if employers promised noticeable wage increases on a regular basis (Elvander, 1988; Thörnqvist, 1994; Thörnqvist, 2001). The labour market was, compared to other

countries, peaceful while the wages and salaries kept on increasing to the benefit of the vast majority of the Swedish population. On top of this, the ruling politicians of the time were using the tax- and welfare systems to close the income gap even further by tapping higher incomes with progressive taxation and by supporting the lowest paid by means of transfers (e.g. child- and housing benefits). All this was possible because of the substantial gains in gross national income in Sweden after WW2. The politicians could make most people happy by actively evening out the income differences since the total amount of resources was growing during this period. However, for the highest paid people in Sweden (up till the 1980s) the marginal taxes were close to 100%, or in some famous cases even above 100%. During this development of equalizing the net income of the working population, there was a resistance from groups representing the most well paid people in the country. This alternative view can be seen as a ghost myth, challenging the ruling myth of equal income distribution. However, there was seldom a time and place to vocalize the standpoint that there was too much equality in net income, or, to put it differently, that the gap in net income between the lowest and highest paid people was too narrow. It was not politically correct to advocate (in public at least) a net income gap increase. The ghost myth was smouldering, silently. The rationale for the net income gap increase standpoint was to incentivize people to work hard and to put an effort into getting degrees and diplomas to then get well-paid jobs. There had been a sign of the ghost myth in the 1970s when Swedish employers proposed individual share-owning schemes as a counteraction to the proposals of collective employee investment funds. But the support for the solidarity wage policy was too strong, so this attempt to individualize wages was rejected (Burkitt and Whyman, 1994). The time was not yet right for the ghost myth.

#### *Crisis paved the way for the ghost myth*

A number of problems came to the fore in Sweden in the 1970's: the externally generated sharp increase in the price of oil and the internally generated inflation with annual double digit increases in both prices and wages/salaries over a number of years. Tension was mounting regarding the Swedish currency (the Krona), which was held constant in relation to other currencies, by political decisions made by the National Reserve Bank. The 1970s presented the first serious economic recession in the country since the late 1920s/early 1930s. Industry had, over the years, become indulgent due to the previously low oil prices, and the population had become accustomed to the steady increase in income and improved standards of living. All this came to an abrupt end during the 1970s, and the lack of further progress also spurred domestic political turmoil, resulting in a change in cabinet for the first time in more than 40 years.

After more than a decade of economic and political turmoil, Sweden finally left the unique "Swedish model" and followed the rest of Europe towards neo-liberal economic policies (Burkitt and Whyman, 1993). Policies rapidly changed in a number of vital areas, such as currency (floating the Krona, and allowing the international financial market decide on its value), lifting banking regulation (not prescribing investments or lending quotas anymore, lifting the old limitations on Swedish direct investment in other countries), and by reforming the income tax system (no more marginal taxes of 100% or more). These major changes came into play regardless of the political parties in power at the moment. In fact, during the 1970s and 1980s, the

governing political parties changed several times, but all the macro-economic policies went in the same direction – towards deregulation (Tengblad, 2003). Deregulation in Sweden was going in the same direction (although perhaps not with the same magnitude) as in the United States of America and Great Britain under Ronald Reagan and Margret Thatcher. The changes during these decades were profound, internationally as well as in Sweden. The pay systems had remained relatively stable for many years, but this changed rapidly in the 1980s in many parts of the world, towards more performance related rewards and pay (Stredwick, 2000). Sweden saw the implementation of the first examples of incentive systems which deviated from the egalitarian systems seen earlier. Now, inspired primarily by the corporate American incentive culture, bonuses and golden parachutes were implemented for top executives. This American business culture with goals of growth, greed and short-term gains was considerably different to Swedish and European management practices (Hofstede, 2009). Yet, the general air of lifted regulations and dropped business limits, incentivizing the top management, made perfect sense. The ghost myth was unleashed.

*“For many years SAAB used no incentive systems since the chairman of the board was totally against it. When he resigned [the Wallenberg’s] implemented [incentive systems] immediately.”*

*“The Wallenberg sphere is the one most influenced by the United States, which is probably a reason for their being incentive systems advocates. [The leading members of the Wallenberg family] are as much Americans as they are Swedish due to being educated and spending their formative years in the United States. And on top of this [the Wallenberg main holding company CEO] is permeated with American business values.”*

(Senior business analyst)

The interviewee stresses the impact the leading members of the Wallenberg sphere have had (and continue to have) on Swedish business practices. The interviewee also points to the fact that the main foreign influence regarding incentive systems came from America. The United States of America has been a particular source of inspiration and a role model for many Swedes. After WW2 all schools in Sweden switched from German to English as a second language and since the 1970s it has become quite common to study in America at high school, college or university level. Especially Anglo-American business schools have been bearers of different business values (Haynes, 2010) than the traditional Swedish egalitarian style, which have influenced a new generation of business leaders. In particular, the United States is regarded as the country with the most vibrant and resilient business life, which has had, and continues to have, a noticeable impact on Swedish business culture.

*“I mean, you can say, when Reagan and Thatcher took office in their countries in 1980 there was a paradigm shift. There were more markets and fewer hierarchies with less politics and regulation. And that development went like this [lifts hand up in the air] until Lehman Brothers, until 2008. And, all-in-all, the market was presumed to fix it all, by setting the markets free with as few regulations as possible. And from a certain point of view, it doesn’t matter if you pay the CEO 2*

*million or 12 million. I mean, 10 million in a major corporation is pocket money, although that was not the case here, but others advocated that standpoint. So, there was a struggle for the best talent with a combination of personal traits and experience [of top management] and they paid them fantasy money, and that trickled down through the organizations, and there you go – then we all created [incentive] systems to make top executives and shareholders row in the same boat. And next they said yes, the top executives should get a part of the profit or incentives in stock options.”*

(Retired CEO and later chairman of the board of a major Swedish bank)

Once the Swedish tax system was reformed and high incomes were no longer taxed at more than around 50 %, the possibility to use bonuses as a money incentive appeared. At this particular time, the principal-agent-theory notion was utilized, stating that compensation packages for executives should be constructed in a way that aligned the minds of the executive to the will and interest of the owner/share holder (Merchant et al., 2003).

In the early days of introducing incentive systems in Sweden, the bonus component was modest, but that soon changed.

*”I was there when it started. We had small bonuses, [in practice] up to a month’s salary [on average over a year], and it was most often given in two parts. The first one was based on the results of the division or unit you were in charge of and the second part was according to the results of the entire company. All in all, the bonus could, theoretically, amount to a year’s salary, but that never happened. But, just as I was about to leave [company X], in 1976 I think, ... I was offered ..... a huge ..... a very much larger bonus ..... the board of the company ..... they didn’t want me to leave. So, I got an offer ..... I don’t remember exactly what it was, but it was substantial.... At that time it was possible to get a maximum of 10 million [SEK] or something like that ..... depending on the results of the company. But I never got that. I left the company. I, personally, have always been an opponent of bonuses. I mean, small bonuses – OK – but they should always be based on performance. Nowadays, bonuses are granted just for the fun of it.”*

*“I was born too early. If I had been in the position then as now, I would be a wealthy man. I am doing all right now, but I could have been a really rich guy.”*

(Retired business executive, former CEO and chairman of the board of several large Swedish companies)

This last quote was said jokingly by the interviewee, a former executive born in the 1920s, with a tone of regret and disgruntlement over the lost opportunity for personal wealth. One could also interpret the tone as a criticism of the younger generation of executives that are nowadays, allegedly, receiving huge sums of money in bonuses with a weak connection to the results of the companies they lead.

### *Translating incentive systems in Sweden by means of imitation*

In the wake of general deregulation, business life felt the new dawn of fewer restrictions and the ghost myth of increasing the net income gap by incentivizing people to work harder was turned loose. More and more companies implemented incentive systems for top management and specialists. One important source of inspiration was the increased direct contact between Swedish and foreign companies, stemming from international mergers and acquisitions (M and A's). M and A's have a very long history, but the development during the 1980s and 1990s presented a vastly growing number of international M and A's (Calori et al., 1994; Castro-Casal et al., 2013; Olie, 1990 and 1994; Schweiger and Very, 2001; Very et al., 1993; Very et al., 1998). When a foreign company merged with/acquired a Swedish company or vice versa, the issue of using the same kind of remuneration system sooner or later became relevant. Since many Swedish companies had little or no experience in this, they hired consultants to construct and implement the incentive systems into their companies.

*“The most important reason why [X-bank] uses these types of [incentive] systems is, of course, because other organizations have got them [...] and I think that the main point of having [incentive systems] is - ‘If they’ve got it, we have to have it too’. Particularly the young [talents] who join us, they pay attention to this, [and if we can’t offer such systems] they go to McKinsey which uses bonuses, or some other....”*

*“[And the implementation of incentive systems in our bank] – yes, they were consultancy products.”*

(Former CEO and later chairman of the board of a major Swedish bank)

Once incentive systems had spread in Swedish business life, they were quickly considered vital for attracting and keeping talents. New arguments were beginning to flourish, such as: “We have to keep our talented managers and executives. If we do not remunerate well, then our most talented executives will move abroad where they will be remunerated much more generously”. Such an argument was not so prominent before, and the thought of talent leaving the country for better payment was not really an issue. However, the idea of deliberately increasing the net income gap, previously not considered politically correct, was now released.

### **Discussion**

Incentive systems were introduced in Sweden in the 1980s despite the fact that it seemed to clash in many ways with its more egalitarian business values. In this paper we describe that ideas travel (Czarniawska and Joerges, 1996) and this is an important part of the explanation as to how incentive systems were introduced; it was wide spread in other countries, especially in the US – which was considered the world's leading economy with the most efficient business sector. A new generation of business leaders gradually implemented incentive systems, striving to imitate the superior American corporations (Czarniawska and Sevon, 2005; Sevon, 1996). Furthermore, the introduction of incentive systems in Sweden was fully in line with the fashion of “shareholder-value”- ideas (Merchant et al., 2003), in both practice and

research at the same time. It was also in accordance with the general sense of liberation, starting in business life during the 1980s, after living under various regulations that had given little leeway to management interests.

However, the theoretical notions behind ideas travelling (Czarniawska and Joerges, 1996; Czarniawska and Sevon, 2005) cannot fully explain why incentive systems were introduced in Sweden despite the conflict with dominating egalitarian business values. Here, the ghost myth concept (Jönsson and Lundin, 1977) can explain why it happened in Sweden at that time. The comprehensive idea of equal income distribution had dominated Sweden's national business system for decades but a ghost myth, consisting of ideas that there was a need to widen the net income gap, was growing. During the 1980's crisis, the ghost myth was set loose, and there was nothing to stop incentive systems becoming a natural part of business life. Because of the crisis, there was very little resistance at the beginning (cf. Hedberg and Jönsson, 1978) – all major stakeholders were perceived as “winners”. The arguments for bringing incentive systems into different organizations were mostly rational like the alleged potential of increasing efficiency. Once the use of incentive systems had spread, other Swedish companies used it as an argument, as stated by one of our interviewees: “We implemented it because the other companies had such systems”. It is thus hard to omit the management fashion-component from the general implementation of incentive systems in Sweden ((Blumer, 1969; Czarniawska and Sevon, 2005; Simmel, 1904/1971; Tarde, 1890/1962), but as mentioned, the ghost myth (Jönsson and Lundin, 1977) circling the Swedish national business system (Haake, 2002) of increasing the income gap was an important vehicle in enabling the incentive system fashion in Sweden.

Once the resistance to the ghost myth was reduced and the travelling idea of incentivizing some (top and/or key) employees in organizations was supported and brought to life, the ideas had to be manifested as being sustainable and resilient. Incentive systems became “a practice stabilized by technology” (Czarniawska and Sevon, 2005) through evaluation forms, check lists, remuneration categories and links to the company salary payment systems; thereby the ideas were manifested into tangible actions of paying extra money to some people. The specific translation of the (American) ideas and the detailed implementation of incentive systems were often provided by external consultants (Czarniawska-Joerges, 1990; Huff, 1982; March, 1991, Sevon, 1996), but incentive systems in Sweden became more egalitarian than the American ideal, similar to how other American ideas have been translated into European practice (e.g., Buck et al., 2004). Once such incentive systems are institutionalized in many organisations, as is the case in Sweden today, it is quite unlikely such systems will be terminated or marginalized, but maybe another ghost myth is brewing to get rid of them.

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**Appendix: List of interviewees**

Former Executive Vice President at a major Swedish bank, credits department, 8 March 2011

Two HR specialists, 15 August 2011

Responsible for industrial relations, association of share investors, 23 November, 2011

Researcher/analyst, at the Union for academics, 7 December, 2011

Branch manager at a Swedish bank, 8 December 2011

Retired business executive, former CEO and chairman of the board of several large Swedish companies, 9 December 2011

Two analysts at a Union for managers, 13 December 2011

Partner in an internationally well-renowned consultancy firm, 20 December 2011

Senior business analyst, 21 December 2011

Deputy managing director and one analyst, The Confederation of Swedish Enterprise, 8 March, 2012

Two pension funds investors, 27 April 2012

Retired CEO and later chairman of the board of a major Swedish bank, 12 June 2012

Former CEO and later chairman of the board of a major Swedish bank, 15 June 2012

Two Ministry of Finance government ownership managers, 17 January 2014