



NATIONAL RESEARCH UNIVERSITY
HIGHER SCHOOL OF ECONOMICS

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CEREMONY INTO A
MEANINGFUL ORGANIZATIONAL
RITUAL -- RE-DESIGN OF
RIBBON-CUTTING CEREMONIES
FOR OVERSEAS
MANUFACTURING PROJECTS**

**BASIC RESEARCH PROGRAM
WORKING PAPERS**

**SERIES: MANAGEMENT
WP BRP 62/MAN/2020**

This Working Paper is an output of a research project implemented within NRU HSE's Annual Thematic Plan for Basic and Applied Research. Any opinions or claims contained in this Working Paper do not necessarily reflect the views of HSE.

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MAKING A MUNDANE CEREMONY INTO A MEANINGFUL ORGANIZATIONAL RITUAL -- RE-DESIGN OF RIBBON-CUTTING CEREMONIES FOR OVERSEAS MANUFACTURING PROJECTS²

According to UNCTAD, the global number of foreign direct investment projects in manufacturing announced in 2018 reached 8049 (UNCTAD, 2019: 9-10). Although the real number of realized projects will be much smaller in 2020-2021 because of the global fall of foreign direct investments (UNCTAD, 2020: xi) the overall number of newly installed factories will be still counted in thousands. In many developing and emerging markets, especially in South-East Asia, Latin America and Russia, ribbon-cutting ceremonies for new facilities opened by foreign investors are mandatory. We ran a study identifying all videoed ribbon-cutting ceremonies for new facilities opened by foreign investors in Russia in 2012-2018. Using a detailed analysis of the content of speeches delivered by representative of foreign investors and representative of local authorities at those ceremonies, and information obtained through personal observations and interviews, we were able to discover the surface and deeper level meaning attaching to these ceremonies, to propose the definition of efficient plant-opening ceremonies and to demonstrate how it is possible to amend the design of such ceremonies to increase their effectiveness and also to increase mental coherence between the corporate center and oversea subsidiaries.

Keywords: organizational rituals, foreign direct investment, manufacturing, Russia

JEL Codes: F23, M16

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² Funding – This work was supported by grant 39-2020 of the Basic Research Program of the National Research University Higher School of Economics

THE MEANING OF RIBBON-CUTTING CEREMONIES FOR OVERSEA MANUFACTURING SUBSIDIARIES IN EMERGING AND DEVELOPING ECONOMIES

On the surface, the ribbon-cutting ceremony for a newly built foreign-owned manufacturing facility in any country looks simply like “a rite of passage” in which the investor MNC is formally welcomed into the local business milieu or, in the words of a diplomat of the investor’s home country who attended such a ceremony, the whole ceremony is just “receiving the permanent residence permit” (for a new foreign-owned legal entity). Based on our analysis, such ceremonies usually contain three types of activities: a guided tour for representatives of the host country’s authorities through the newly built industrial facilities, speeches giving by representatives of foreign investors and local officials, and the carrying out of the symbolic act of commissioning the facility which classically involves either cutting of the ribbon, pushing the button or pulling the lever. During all of these activities, the workers, engineers and shop-floor managers (both the full-time workforce who staffs and runs the operation and the remaining members of a set-up and commissioning team, which can include the central engineering departments of the corporate parent, employees of sister-subidiaries, and engineering contractors) form a receptive, though silent, audience either circling around or gathering in front of the major actors of a ceremony – top corporate executives or country managers of the investors and officials from the host country (mostly local governors, but sometimes the prime-minister and, in a few cases of especially large projects or extremely famous foreign corporations, the president).

At a deeper level, when those ceremonies are attended by top executives of the corporate parent and high-ranking officials of the host country, this can be read as an indicator that the fragile balance between the interests of foreign investors and the expectations of authorities in the host country about new industrial project has been achieved. Foreign investors usually strive to make efficient investment projects, not surpassing the

optimal size of the facility which may produce just intermediary goods or special components for narrow market niches; local authorities prefer large investment projects both in terms of a headcount and the share of value added locally. Unless the agreement of the overall size of the project and the share of locally-added value is reached (and signed), any industrial project can be deferred indefinitely if the whole set of bureaucratic rules and regulations related to zonal planning, land allocation, issuing construction permits, connection to electricity and sewage systems, surveillance of construction, and installation works are applied in full. More importantly, such rules and regulations are constantly changing. As the ambassador from a country of origin of a foreign investor put frankly a ribbon-cutting ceremony of a new plant: “I wish to note the strong support of the project by Governor Mister N., especially in receiving different licenses, including the construction permit, and the permit to operate the factory. Thanks to this ... the launch of the factory was done without incidents and just in time. I am deeply grateful to the province’s government for the support and ask you for the future to provide the same support for the development of the factory.” This is again applicable to industrial projects in developed, emerging and developing economies.

However, at the deepest level, the real, usually hidden meaning of such ceremonies in emerging and developing economies *is getting the assurance that authorities of the host countries (especially local governors) will provide protection against possible arrogations by different host country’s regulatory and controlling bodies.* This protection is not 100% guaranteed, but some elements in the speeches of local governors indicate that they are inclined to offer the support and protection if necessary:

- 1) The conative element -- the open expression of a person's will to behave in a particular way in the future. Conative element is the assurance that one party of the relationship is ready to make efforts, and even sacrifices, for the benefit of the other party without expecting immediate rewards or gratitude.

- 2) The cognitive element – expression of the rationales of the investment and the benefits for the local and the national economy from smooth operations of a newly established plant which should not be disturbed by arrogations of local regulatory and controlling bodies.
- 3) The affective element – expression of admiration of partners’ personal qualities and admiration of products quality or of the unique features of newly installed production facilities. The hidden meaning beyond the words of admiration is that “such beauty does not deserve unfounded claims of different controlling bodies.”

As it is suggested by communication theory, ideally communication should be symmetrical; to get the desired response from another partner the specific element of communication should be used by the first partner. Studying almost 200 videos depicting 73 plant opening ceremonies happened in Russia in 2012-2018, we found that the symmetrical communication are relatively rare. Based on the elements of speeches delivered by both sides at ribbon-cutting ceremonies, we were able to make the following typology of such exchange of speeches:

- 1) Rational symmetrical communication, where both sides use just cognitive elements in their speeches.
- 2) Extended asymmetrical communication – one side uses several elements in its speech while the other side uses only the cognitive element in its speeches.
- 3) Rich symmetrical or quasi-symmetrical communications – both sides use at least two elements in their speeches, in rich symmetrical communication both sides use the same elements in their speeches, in rich quasi-symmetrical communication some elements used by the both sides may be the same while some elements may be different.

- 4) Full-scale communication – the both sides use all three elements in their speeches, especially the conative one.

Examples of each type of communications are presented in Tables 1-4.

Insert Table 1 here

Insert Table 2 here

Insert Table 3 here

Insert Table 4 here

THE EFFECTIVENESS OF RIBBON-CUTTING CEREMONIES

Following our detection of the hidden meaning of plant opening ceremonies in emerging and developing economies, the effectiveness of ribbon-cutting ceremonies can be assessed by achieving their goals – getting the necessary protection and support from local authorities to run operations of a newly established production site smoothly, without arrogations of host country’s regulatory and controlling bodies for a long period of time, and if necessary to expand the production facilities of that site, to obtain the compulsory permits to do this easily.

In the respect, the major question is which elements of a ribbon-cutting ceremony (potentially) contribute more to their overall effectiveness.

In our opinion, *the first and foremost element of an effective plant opening ceremony in Russia (and in many other emerging economies) is the presence of the local governors*. Officials of lower ranks usually have no sufficient power and influence to protect the foreign investors against arrogations of regulatory and controlling bodies; officials of higher ranks are difficult to reach quickly in the “case of urgency.”

Unfortunately, only a few local governors in Russia see their attendance at plant-opening ceremonies of both local and foreign investors as a part of their job’s duties. The president and the prime-minister are always accompanied at plant-opening ceremonies by local governors, but in general the appearance of the president or the prime-minister is rare. Therefore, foreign investors should ‘find the bait’ for local governors to attend the plant-opening ceremony. One of the most often used methods is to bring to the plant-opening ceremonies the CEO of the corporate parent or the managing owner (for private or family-owned and family-run companies) – local governors like to communicate to the persons who run multi-billion businesses. However, sometimes the price for a foreign investor to bring the local governor to a plant-opening ceremony may be higher. In one (fortunately, extreme) recorded case, the local governor forced the “novice” foreign investor to bring more than 700 representatives of its global business partners (all at the expense of the investor) to a ribbon-cutting ceremony of a new plant, thus transforming the ceremony from a mere ribbon-cutting exercise into a large promotional event for the province as a location for foreign direct investment.

Another interesting question is which elements of ribbon-cutting ceremonies happened with the presence of local governors contribute to their effectiveness. We indicated that three elements of the ribbon-cutting ceremony are mandatory - a guided tour for representatives of the host country’s authorities through the newly built industrial facilities,

speeches giving by representatives of foreign investors and local officials, and the carrying out of the symbolic act of commissioning the facility.

The symbolic act of commissioning the facility may be a nice collective performance, but it has add nothing to the ultimate goal of ribbon-cutting ceremony – ensuring further patronage of local authorities over newly built industrial object. A guided tour for representatives of the host country’s authorities through the newly built industrial facilities has greater significance – it allows the representatives of host country’s authority to get a visual impression about the newly created facilities and also may serve as a pretext to use affective element in their speeches, expressing admiration of ‘just seen’ promises.

This brings us to the key part of the ribbon-cutting ceremonies – the speeches, especially the speeches of local governors. We may speculate on which elements of speeches of local governors do contribute more to the effectiveness of the ceremony? The affective element may contain a dose of exaggeration or even hypocrisy; moreover, the next plant opened in the territory managed by the local governor may be even ‘more beautiful’.

In this respect the conative element in speeches is potentially a more important contribution to the overall effectiveness of a plant opening ceremony because in Russia the conative elements of speeches delivered at public ceremonies are considered as orally expressed legally binding obligations. However, there is one problem with the conative element of speeches. They are considered indeed as orally expressed legally binding obligations, but as *personal* legally binding obligations. A new governor in Russia (unlike in China) feels free from obligations and promises given by her/his predecessor.

As a result, the cognitive element, i.e. expression of the rationales of the investment and the benefits for the local and the national economy from smooth operations of a newly established plant may be considered as the most reliable contribution to the overall effectiveness of a plant-opening ceremony. This was intuitively understood by foreign investors. As the business situation in Russia worsened at the end of 2014, the speeches of

foreign participants gradually became longer (in 2012–2015, a 2-min speech with subsequent translation was the norm for foreign participants, in 2016–2018, a speech by a foreign participant could last 8–10 min or longer (in one instance, the speech lasted 43 min). The increase in the length of speeches was mostly due to substitution of short statements with conative content by longer statements with cognitive content. Short affirmations, such as “We came here to stay,” were, in many cases, replaced by long, tedious, and monotonous readings of written texts with significant numerical data on the company's affairs and detailed arguments on the advantages of the project for the corporate parent and the local economy. Long, businesslike oral reports presenting a battery of arguments for the implemented project was a tactic that foreign participants of plant-opening ceremonies considered to be most suitable to “squeeze” from local governor a confirmation of such information, i.e. to force her/him to use the non-personalized cognitive element in her/his speech.

Thus, we cannot postulate that full-scale communications at plant-opening ceremonies are more effective than extended symmetrical and asymmetrical ceremonies, especially when the local governor uses both cognitive and conative elements in her/his speech (and stays for a long time in her/his position after opening of a new factory).

We may take as an example Corporation B (packaging foods and drinks producer) which opened its new production facility of infant food in May 2014 using an extended asymmetrical speeches – the representative of the investor used just the cognitive element in his speech, the local governor used the cognitive and conative elements in his speech (see Table 2).

The author had a chance to interview in October 2015 the country manager of Corporation B who confessed that the operations of the facility, opened in May 2014, were not disturbed by any unfounded claims of controlling bodies despite the very ‘sensitive’ type of production (infant food). Moreover, the opening of that facility helped to maintain volumes of production and “to remain relevant to our customers” during the crisis that

occurred in Russia in 2015 after the two-fold devaluation of the local currency in December 2014. This achievement was noticed in the quarterly press release of Corporation B. In January 2017, the country manager of Corporation B who supervised installation and putting in motion in 2013-2014 a few factories which became the anchors to maintain volumes on local markets during the crisis was promoted to a much higher level in corporate hierarchy – he became a deputy executive vice president Corporation B and a head of one of the major product categories of Corporation B. In 2019, Corporation B opened in the same city another large factory in the same product category (infant food). The local governor – the same person who opened the first factory of Corporation B in that region in 2014 -- participated in the public opening ceremony for a new plant of Corporation B. Moreover, a few months before the official opening of a new factory, Corporation B and the local governor officially signed a special agreement on regional support to the plant to be opened, including tax benefits.

ANOTHER TYPE OF PLANT-OPENING CEREMONIES

We mentioned at the beginning of that article that during all the studied ribbon-cutting ceremonies the workers, engineers and shop-floor managers (both permanent local employees and expatriates on temporary foreign missions) form a receptive, though silent audience. In this respect, an important supplement to the standard ribbon-cutting ceremonies may be necessary, if we remember that a great number of investment projects in manufacturing are in high-skilled industries. In such industries the success of a project largely depends on labor productivity, which, in turn, is based on the wiliness of employees of all levels to enhance constantly their knowledge and skills and on their overall job attitudes. For such projects the standard outward-looking ribbon-cutting ceremonies should to supplemented with additional, inward-looking events.

We were able to be present ourselves and also observe in several videos such additions to the standard ribbon-cutting ceremonies. Such additions represent the more or less formal meeting between the team from the corporate headquarters (including a CEO and several other top executives) and employees of a newly-built factory. That meeting may happen in the same day as the official ribbon-cutting ceremony or precede the official ribbon-cutting ceremony. During such a meeting top corporate executives expressed the importance of the factory for the future of the whole corporation, their expectations for the further development of the factory's production facilities, postulated the desired working atmosphere in the factory ("just another very good day of productive work with colleagues"), and appealed for the commitment and assistance of employees in safeguarding the future of the investment (see Exhibit 1).

Insert Exhibit 1 here

This ceremony also included the presentation of letters of gratitude to the members of the launch teams assembled from the central engineering department of the corporation, sister-subidiaries, and employees of the new facility. Rarely if ever did members of the top corporate team read from prepared texts while addressing employees; rather they tried to use colloquial expressions and exhibited friendly gestures.

It is important to stress that in such meetings further permanent employees and members of the launch team were not passive listeners. Besides listening to joyful speeches of employees about the work done, executives of foreign investors sometimes also had to listen to critical remarks of employees about the mistakes in the initial design of premises, unreliable suppliers of equipment, unrealistic schedules for particular works etc. Within

general atmosphere of openness employees were inclined to make such statements as the pretext to boast on how they have overcome such obstacles.

The whole meaning of those ceremonies was quite different from the formal ribbon-cutting ceremonies. Instead of presenting a new facility as the result of a decision of top corporate executives that did not face serious obstruction by the activities of local authorities, the new facility was presented as an achievement of multiple stakeholders, and both the employees who built the facility and made it operational, and the newly hired employees who were expected to make the facility run effectively and in a good mood were presented as the major addressees of the whole ceremony.

We were also able to retrace the development of a plant of Corporation Z, which used that type of meeting of the corporate CEO with plant employees prior to formal ribbon-cutting ceremony. The plant became wholly operational at the end of 2014, and the formal plant-opening ceremony took place in February 2015. In 2016, the plant largely improved its technical efficiency reducing reject rate of some high-marginal products (the smallest chip or crack in the cut of a lipstick column makes the product unsuitable for sale, careful adjustment of the production line of lipstick tubes will lead to a decrease in the percentage of defective products from 70 to 10-12%) and mastering new types of assortment. As a result, the sales increased in 2016 by 13% while the payments to suppliers for raw materials reduced by 22%.

SUGGESTIONS FOR AMENDING THE DESIGN OF RIBBON-CUTTING CEREMONIES

Based on these experiences, we developed a set of recommendations addressed mostly to country managers of foreign investors for amending both the meaning and design of ribbon-cutting ceremonies. Although we base our recommendations on observations in emerging markets, some suggestions may be applicable to manufacturing projects developed countries as well.

Make employees of a new (extended) facility the important addressees of the ceremony

The relative roles of the different actors involved in the installation of new production facilities in both emerging and developed countries are changing rapidly. Along with the re-industrialization of developed countries and the installation of new industrial objects presented as the “first factory of this kind in the USA or in the EU in the past 30 years,” the possibility of standardizing industrial projects in emerging and developed markets is drastically decreasing. With the attempts to implement Industry 4.0 in “real manufacturing,” the role of human factor in determining the likely success of the endeavor has increased in importance. Without readily available guidebooks and procedure manuals for particular elements of Industry 4.0 systems, a significant portion of initial set-up and future success of such industrial projects will depend on the innovativeness of the design of the production facility, in-house creativity, and the ability of independent engineering firms to close the “loopholes” and the timely correction of mistakes in the initial project design of Industry 4.0 objects, as well as the abilities and willingness of shop-floor employees to master and use the novel solutions developed by IT “geeks,” industrial engineers, and system integrators effectively. Therefore, the relative importance of the particular sides in both domestic and overseas industrial projects will change drastically. Although the corporate executives and local officials of host countries may somehow maintain their roles, the whole notion of an overseas manufacturing project will, of necessity, shift from a joint venture with just two partners into a multi-actor investment consortium, in which open knowledge, and tacit knowledge, ingenuity, and persistence of employees engaged in installing and putting the new facilities in motion will especially have an equal or even greater importance for the success of a new venture. This requires the re-design of the established patterns of ribbon-cutting ceremonies.

First, a special internal meeting between the top corporate officials and employees of a facility ready to be officially opened may be quite desirable. In such meeting, which may happen in the day of the formal plant-opening ceremony or precede that ceremonies corporate officials should express gratitude to members of the launch team, especially in the scenario where the facility was installed ahead of the schedule or at lower costs than had originally been set aside for the project (such cases, despite wide-dispersed beliefs about the inevitable delays of execution of manufacturing projects in emerging markets, happen not too rarely in Russia, especially in projects of German investors). They also should demonstrate tolerance to the critique expressed by local employees and expatriates about the overrun difficulties and pitfalls during the constructing, installing and putting in motion of a new production site. Such critique may be the invaluable source of information to be used to avoid the possible similar mistakes in further projects.

Second, members of the launch teams, and especially employees of the newly installed facility, would cease to be speechless attendees of the official plant-opening ceremonies which embrace corporate executives and local officials. They should be allowed to make short speeches reflecting their experience of building and putting the new facility into operation. These types of speeches of low-rank employees strengthen the cognitive element of a plant-open ceremony in the general message of foreign investors, revealing the real efforts of the parent company and the regional subsidiary to bring the project to a successful completion. Such speeches of low-rank employees may also impress local governors the freedom of expression is rare in locally-owned companies in many emerging and developing countries.

Bring top corporate executives to the ribbon-cutting ceremonies

We have mentioned that appearance of top corporate officials, especially CEOs or managing owners at the plant-opening ceremonies greatly increases the chances of appearance of local governors at such ceremonies, thereby increasing the whole effectiveness of those rituals.

Besides this, for shop-floor employees of both overseas and domestic subsidiaries the ribbon-cutting ceremony attended by top executives of the corporate parent can be the unique chance to see them ‘in flesh and blood’. This helps to transfer the ritual into ‘infinitely memorable event’ and also signals the commitment of the corporate parent to the newly built facility.

Make the participation of top diplomats of the home country of foreign investor a norm in ribbon-cutting ceremonies

Currently, top-ranked diplomats of the home countries of foreign investors are applauded, but relatively rare guests at ribbon-cutting ceremonies. For example, in Russia in 2015-2018 high-ranked diplomats appeared at 33% of ribbon-cutting ceremonies devoted to opening of new plants and at 12% of ceremonies devoted to extensions of the existing facilities that we analyzed. Meanwhile, the appearance of high-ranked diplomats of the home country of the investor (Ambassadors, Ministers or other representatives from the Embassy) has several rationales. First, in the times of re-shoring (returning the production facilities from overseas locations to the home country) the appearance of high-ranked diplomats of the home country of the investor indicates the political approval of foreign investments by the government of the home country. Second, in addition to underscoring the support of the investors’ home country, diplomats’ speeches can also be used to ask directly for some form of preferential treatment for the project from the host country’s authorities, such as the streamlining of bureaucratic procedures.

Make all efforts to have the opportunity to greet high-ranked local officials in person

The more active role of employees and the desired increased presence of diplomats of foreign investors' home countries do not mean that the importance of the presence of high-ranked local officials, especially local governors, should be diminished. The presence of local governors is the major ingredient of effectiveness of formal ribbon-cutting ceremonies. Sometimes, especially for very large foreign companies, members of Foreign Investors Advisory Council (FIAC) in Russia, who meet once a year with the prime-minister in a special meeting, it may be easier to achieve the appearance of a prime-minister at the plant-opening ceremony. In such a case the appearance of the local governor is guaranteed.

Do not strive to make the exchange of speeches into full-scale conversations

We have demonstrated that full-scale conversations in which the speeches of both representatives of foreign investors and representatives of local authorities, in general, have no superior effectiveness over communications of other types. In addition, the bigger the experience of a local governor in participating in plant-opening ceremonies for factories of the leading world manufacturers is, the bigger will be the share of hypocrisy in the expression of admiration of that particular new factory. Moreover, the need to express admiration distracts the attention of the governors from cognitive and conative elements in their speeches.

CONCLUSIONS

The proposed amendments in the design and the content of plant opening ceremonies can be implemented gradually. However, implemented together they can change a ribbon-cutting ceremony from mundane ceremony into a meaningful ritual both outward-looking and inward-looking. As the outward-looking ritual the meaning of a plant open ceremony remains the same -- getting the assurance that authorities of the host countries will provide protection

against possible arrogations of local regulatory and controlling bodies, but this task can be achieved with less pomposity and the same effectiveness. At the same time, more active role of lower-ranking employees in formal ceremonies and special meetings of employees with top corporate executives before the official ribbon-cutting ceremony can assist to communicate important corporate values and to lower mental barriers between headquarters and overseas subsidiaries.

ADDITIONAL BIBLIOGRAPY

The starting point for our study was the works of I. Gurkov and his colleagues on ribbon-cutting ceremonies in Russia. In I. Gurkov, I. and A. Kokorina, "Who Cuts the ribbon? A Quantitative Analysis of Formal Opening Ceremonies of New Plants of Multinational Corporations in Russia," *Eurasian Geography and Economics*, 2017, 58(2), 258-277 a general overview of the traditional design of ribbon-cutting ceremonies for overseas manufacturing subsidiaries was presented and the initial typology of such rituals was proposed. Been published in a high-ranked but specialized academic journal, that work provoked interest in the US business press (see Paulas,P. "The Hidden Signals of Ribbon-cutting Ceremonies," *Pacific Standard*, November 28, 2017). In I.Gurkov, A. Kokorina and Z. Saidov Z. "Beyond Ribbon Cutting: Lessons from Russian Manufacturers on the Nuances of Opening Ceremonies," *Global Business and Organizational Excellence*, 2018, 37(5), 6-13 the non-verbal communication during plant opening ceremonies was presented in details, including description the most unusual moments (gestures, mise-en-scenes of participant) and photo illustration. Finally, in I. Gurkov, A. Kokorina, Z. Saidov and and O. Balaeva, "Rituals of Opening Ceremonies of Overseas Manufacturing Facilities of Multinational Corporations in Russia," *Thunderbird International Business Review*, 2019, DOI: 10.1002/tie.22110 there was an attempt to distinguish between cognitive, affective and conative elements of speeches of the major participants of ribbon-cutting ceremonies.

As a general overview of the existing literature on organizational rituals we can recommend A. C. T. Smith and B. Stewart, "Organizational Rituals: Features, Functions and Mechanisms", *International Journal of Management Reviews*, 2011, 13(2), 113–133). A number of articles (G. Islam, and M.J. Zyphur, "Rituals in Organizations. A Review and Expansion of Current Theory", *Group & Organization Management*, 2009, 34(1), 114–139; F. K. Ozenc and M. Hagan, "Ritual Design: Crafting Team Rituals for Meaningful Organizational Change", *Advances in Intelligent*

Systems and Computing, 2018, 585, 146–157) present examples for re-designing routing rituals in order to make significant organizational change. Finally, the recent reports of UNCTAD “World Investment Report 2019,” United Nations Publications, New York, 2019; “World Investment Report 2020,” United Nations Publications, New York, 2020 present the scale of research phenomenon – the numbers of new plants installed in foreign countries and accompanying ribbon-cutting ceremonies.

Table 1. An example of rational communication during a formal ribbon-cutting ceremony for a new plant (Corporation A - one of the leading world producers of oil-extraction equipment)

Elements of speeches	Participants	
	Representative of local authorities	Representative of foreign investor
Cognitive	<ul style="list-style-type: none"> • The appearance of the company's enterprise in Region Z undoubtedly contributes to increasing the region's investment attractiveness and has a positive effect on the region's economy and industrial production index • This plant is the second in the world by its size. There is an analogue to it only in the USA. It is noteworthy, that company A chose city Z as the place for the construction of such a plant • The implementation of the project showed that Region Z has a number of advantages and serious investment attractiveness. I believe that companies of this level can make the competitive 	<ul style="list-style-type: none"> • City Z is the optimal location for this production site for a number of serious factors such as consumers' proximity, level of personnel professionalism. The most important factor in making this decision is the significant support provided by the representatives of local authorities in our work here. • Russia is the largest supplier of petroleum products for Europe and is gradually increasing its presence in the Asia-Pacific region, so launch of an enterprise in city Z is a regularity driven by market trends. The aim of the project is to satisfy the demand for equipment of oil companies, operating in the region. However, in the future we plan to expand supplies outside Russia • The positive aspect of the plant in city Z is that we have got enormous

	<p>environment more civilized, and set an example of successful work in existing conditions</p> <ul style="list-style-type: none"> • If we want to work in global economy openly and compete successfully, then this facility is an example of such work and such competition 	<p>opportunities to reduce costs by lowering transportation costs and shortening the delivery time</p> <ul style="list-style-type: none"> • We are constantly exploring opportunities for new investments. Our intentions are to continue investing in Russia and to become a bigger and bigger player
Affective	Not observed	Not observed
Conative	Not observed	Not observed

Note: the local governor and high-ranked executives of Corporation A were absent at this ribbon-cutting ceremony

Table 2. An example of extended asymmetrical communication during a formal ribbon-cutting ceremony for a new plant (Corporation B - one of the leading world producers of packaged food and soft drinks)

Elements of speeches	Participants	
	Representative of local authorities	Representative of the foreign investor

Cognitive	<ul style="list-style-type: none"> • With the launch of this enterprise, we completely cover the needs of our market, this is a classic example of import substitution • Why is this a very important event for all of us? Because this is a new stage in the development of our food industry • The high confidence, that investors have shown us, having decided to build this enterprise here, in our region, indicates confidence in the regional and municipal authorities. This indicates a favorable investment climate. This suggests that we, in all aspects (including preparation, delivery of raw materials to the factory), comply with all the highest European standards. 	<ul style="list-style-type: none"> • We are constantly investing in the region and today we see these investments in the form of a factory launch. This plant is the second largest producer of baby cereals in Europe.
Affective	<ul style="list-style-type: none"> • We are exactly present at a historic event: we are launching a new, most innovative, high-tech, advanced baby food production • I am grateful to Corporation B for this choice and would like to 	Not observed

	<p>present a letter of appreciation to the President of the company on behalf of the Governor for the trust in our region, our native land</p>	
<p>Conative</p>	<ul style="list-style-type: none"> • The company is interested in continuing further cooperation. Why? Because they see that a favorable investment environment has been created here, and here are projects that are under the control of the governor. They are implemented in a clear and rigorous agreement within the framework of the agreement that was signed between the government of the Vologda region, the company and the administration of the city of Vologda. We guarantee the highest quality: both the raw materials that we will supply to this production, and the final products that will be produced here and delivered in Russian Federation and beyond • I am very pleased that the investor, 	<p>Not observed</p>

who today decided to invest in the development of production sites in our region, is already negotiating with us about the opening and construction of the next complex for the production of baby food. And today we will discuss the possibility of providing additional land for new production. This is a very good step for the implementation of investment projects in the city of Vologda. We are very pleased that such a decision has already been made, and we will contribute to the further construction of factories

Note: the ribbon-cutting ceremony was attended by the local governor and corporate executives of Corporation B

Table 3. An example of rich quasi-symmetrical communication during a formal ribbon-cutting ceremony for a new plant (Corporation B - one of the leading world producers of packaged food and soft drinks)

Elements of speeches	Participants	
	Representative of local authorities	Representative of foreign investor
Cognitive	<p>Corporation B effectively conducts its production activities here and, thus, makes its enterprise successful and sets an example to other enterprises in our region</p>	<ul style="list-style-type: none"> • We fully follow our commitments constantly investing in the development of our production facilities, distribution systems and marketing of our products • Corporation B's total investment in Russia exceeded US dollars 1.2 billion for the last 16 years. We enjoy the leading position in many food categories in this country and we are growing fast in several rapidly developing market segments • The new facility will produce a wide range of products with the volumes required to maintain our solid position in the particular market in Russia and

		<p>CIS. This extension will enable industrial park ZZ to be the biggest site in Europe to manufacture that type of products</p> <ul style="list-style-type: none"> • I want to highlight that in this factory we have been able to bring some innovations which really match the interest, the desire, the needs of Russian consumers
Affective	<ul style="list-style-type: none"> • I am grateful to the leaders of Corporation B, who were the first to locate their production in ZZZ industrial park and, of course, by the way, then there were also those who came here and did not believe that there would be such a large industrial park here and left. 	<ul style="list-style-type: none"> • The quality of products of this factory is in tune with our corporate standards and I want to thank you, all the people working in the factory, for the excellent quality of our products.
Conative	<ul style="list-style-type: none"> • Today there are already 22 residents in this industrial park and 3,500 jobs have been created here. And in the future, there will be about 10,000 such jobs here. And our task is to make these jobs not less attractive than at Corporation 	Not observed

B.

- I also want once again to propose to Corporation B to think about producing other goods of its famous corporate brand here. We will create not less convenient conditions for such an activity

Note: the ribbon-cutting ceremony was attended by the local governor and corporate executives of Corporation B

Table 4. An example of full-scale communication during a formal ribbon-cutting ceremony for a new plant (Corporation C – the producer of machine tools)

Elements of speeches	Participants	
	Representative of local authorities	Representative of foreign investor
Cognitive	<ul style="list-style-type: none"> Mr. X said that there are only three such plants in Europe, two in America, three in Japan and that's all. And now there is one in Russia. He can close the lion's share of machines currently being manufactured for our industry. I would also like to thank Mr. X for bringing over 700 guests, including a huge number of companies from small businesses to large ones. We have already outlined 14 negotiations, a number of them, I think, will be successful, because we have previously discussed their placement here 	<ul style="list-style-type: none"> The launch of this machine-tool plant is a significant event both for Russia and our home country, this is a new step in the development of relations between our countries This is not a fortuity – region Y is known for its work on attracting investments, the region creates a favorable environment for investors, providing all the necessary conditions for them. And I often repeat the words said more than 150 years ago by Otto von Bismarck: “we have no alternative, but to develop good relations with Russia”
Affective	<ul style="list-style-type: none"> Here we get into a kind of interactive museum, an interactive workshop, because 	<ul style="list-style-type: none"> I want to express my gratitude and congratulate the region on the fact that other companies as Corporation

	<p>here everything is so computerized that it is difficult to imagine</p> <ul style="list-style-type: none"> • I congratulate all citizens of our city with another start of production of the most up-to-date plant that meets all the requirements of the 21st century 	<p>C come here</p>
<p>Conative</p>	<ul style="list-style-type: none"> • I hope that this is a good start for the revival of of the machine-tool industry, which will give us large tax payments, many happy families and a little more pride in our region • And this means that at least a dozen new enterprises will appear here, and with them – new jobs 	<ul style="list-style-type: none"> • To date, the company has created 70 jobs, by the end of the year, we will bring this figure to 100 people, and by 2018 we plan to employ 250 people. We will recruit specialists from the city. We will additionally train them to get qualified personnel for the production of our machines

Note: the ribbon-cutting ceremony was attended by the local governor and the CEO of Corporation C

Exhibit 1. The speech of the CEO of Corporation Z (producer of cosmetics) at the meeting with employees of the newly opened production site prior to the formal ribbon-cutting ceremony (abridged)

I would like to start with great gratitude to you, because it is obvious that all that where we are now is all thanks to you, thanks to the new work and understanding that for Corporation Z it is very important to have a large logistics and manufacturing complex here.

I think you understand the strategic importance of this new complex, this new plant. Here, in Russia, we have the largest volumes in the world, and we, of course, have prospects that they will increase. Therefore, we have become closer to our customers, which means that we will be able to supply them faster with better and more environmentally friendly logistics. And, of course, a lot of work has been done to find new contractors, new elements, new components, here in Russia, to make the plant even better.

But what does this give to you? I hope there will be a good workplace for you. But what does it mean - a good place? Of course, money - so the salaries should be decent. But, it is not only about money. A reliable, good workplace is both a culture and an atmosphere. And I can talk a lot here about the Corporation Z's company culture. This is a company that works with three ingredients: unity, spirit and passion.

Unity is when we work together, when we see ourselves in a team. It is important that here, in this plant, in this complex, we see that each person is part of a larger picture. As I have already said, you work not only for yourself, not only for Russia, not only for the CIS, you work for the world.

Spirit. We want this plant to be the most efficient. Now it is the most modern, but, at the same time, there are opportunities for the further development of the plant, and of each employee. There will be about 500 people working there, there will be different positions for you to work. For some of you, this will be your first job, someone would like another job. But, working here, you can see the prospects of work not only here in Russia, the CIS countries, but also in the world. ... I will be glad if you decide to work here all your life. I like this idea. Because it means Corporation Z works as your partner, this is your place, this is your factory. It is also important for Corporation Z, that you feel your importance to the company. It is the "You" that is important. And there are huge opportunities. You are surrounded by a lot of people who started somewhere or work now somewhere else. And there are people who started from the lowest positions and have moved up the career ladder. It is important that you see the opportunities you have.

Passion. How is passion created? Passion is created, because I want something, I love something, I strive for something, for someone. Corporation Z's company passion - we like that we work in a beauty company. We like that people, who consume our products, grow more beautiful. Because our company exists to help people realize their dreams. This dream is quite ordinary - to become more beautiful. Therefore, our products, those that we will produce, those that we will supply, are products that give people the opportunity to feel beautiful, to be beautiful. It is important that everyone feels what I am doing, how I help people. But it is also important that you feel a passion for our business, because Corporation Z is not only beauty, for many persons Corporation Z is also a business, career, opportunity, independence, freedom. You, the people who are here, you are a part, an important part of this whole complex - beauty, business, opportunities, independence, freedom. And I feel and would like everyone to feel how important it is for you.

The last thing I want to say is about culture, atmosphere in this building, in this office, in this factory, in this complex. We can all say that the atmosphere in the office is the responsibility of our management. Indeed, leadership plays a huge role. But honestly, there is something that creates the atmosphere in this office, this factory, this complex - this is each of you. What atmosphere you want, such an atmosphere will be. What is important for a good atmosphere? Well, first, that you respect each other, to feel that every person in this factory, in this complex, in this office, is important. No matter, what kind of work, what responsibility, you are important for us, for this company and for each person. Therefore, I would like you to become necessary for each other. Remember, you have a colleague who is engaged in important work in this company. Secondly, take care of each other, help. Because very often, every working day, there will be difficulties. When I have difficulties, then I expect your help, when you have difficulties - it is my responsibility to help you. And if we always think so, and we respect and help other people in the complex, then the atmosphere created much better.

But the most important is the word that we use often: "positive energy". You are the center of positive energy. What does it mean? This means we believe in the company, in order to create a good atmosphere, so that every person would come to work and feel like a happy big Swedish family, let's say. This is for me to come and work with positive energy, with a positive attitude. Because each person can decide in the morning what day he will have today – a bad or a good. And when we come to work, I would like us to remember - when we respect each other, when we help each other, then we have positive energy, and then we need to help each other, we need to respect, we need to reward each other. But if we do it with a positive, then we will cope with any difficulty, with any situation. I want us to always remember that we want positive energy, a positive atmosphere. This is a company, an office, a factory where people help and respect each other. If you work like this, then this place, this plant, this complex will be the best place for you as for employees. And we would like each of you to come to work in the morning with the mood (claps your hands): "Here is another good day with my colleagues!".

Do not forget this complex, this plant is very important for Corporation Z. Do not forget that you are not only working for yourself, working for Russia, for the CIS countries, but also for the whole world. Do not forget the values of Corporation Z - unity, spirit and passion. Do not forget about the positive attitude in the morning. And come to work with respect and with the knowledge that every person in this office is a good, an important one. And when a person needs help, I am given to help others. And when I help, others will help me when I need it. Do not forget about it, and you will have a great place to work.

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