Organizational Legitimacy
As Discursive Accomplishment in
Multilevel Marketing Discourse

A paper presented at the Organizational Communication Division of the
National Communication Association annual conference,
New Orleans, LA, November 21-24, 2002.

Walter J. Carl, Ph.D.

Northeastern University
Department of Communication Studies
101 Lake Hall
360 Huntington Avenue
Boston, MA 02115

w.carl@neu.edu

Abstract

The goal of this paper is to provide empirical evidence for the claim that both organization and communication are simultaneous and equivalent accomplishments (Putnam & Fairhurst, 2001). It is argued that that the “discourse process” of fact construction (Potter, 1996) and the “organizational process” of organizational legitimacy (Allen & Caillouet, 1994; Suchman, 1995) are accomplished simultaneously in e-commerce multilevel marketing business presentations. The paper concludes with a critique of how organizational legitimacy is studied as a typology of impression management strategies.

Keywords:

Organizational Legitimacy
Discourse Analysis
Discursive Action
Fact Construction
Stake Management
Impression Management
Multilevel Marketing
E-commerce
Quixtar

Introduction

In their review of discursive approaches to organizational communication, Putnam & Fairhurst (2001) announced that the study of discourse and organizations have "come of age" and that a significant number of organizational scholars have recognized the importance of how language use and communication represent a promising path for "knowledge about organizational life" (p. 121). They also note, however, that a number of challenges exist regarding the role of context, the status of non-discursive elements, and most importantly for this present paper, the nature of the relationship between discourse and organizations. Specifically, they identify three different relationships between discourse and organizations in existing research: reflective, constitutive, and equivalency.

In the reflective version, discourse represents, or reflects, underlying structures, codes, or meanings of the organization. In this version, the organization tends to be reified as a static object, and actual communication processes do not receive much analytic attention. In the constitutive version, discourse and organization actively produce or shape one another; that is, discourse is seen to produce the organization, or organizations produce discourse, and/or they mutually shape each other. While this version acknowledges that discourse and organization implicate one another, they are treated as separate processes and the organizational aspects are treated as primary. In the equivalency version, discourse processes (in the form of conversations or texts) and organizing processes are treated as the same, or equivalent. That is, both organizing and communicating are simultaneous accomplishments or achievements (Taylor, 1999; Putnam and Fairhurst, 2001).

This purpose of this paper is to make a case for the equivalency relationship between organization and discourse. To do this, I will argue that the "discourse process" of fact construction (Edwards & Potter, 1992; Wooffitt, 1992; Potter, 1996) and the "organizational process" of organizational legitimacy (Allen & Caillouet, 1994; Suchman, 1995) are accomplished simultaneously in an e-commerce multilevel marketing business presentation. First, I will briefly review studies that argue for the pervasiveness of fact construction to discourse processes, and then provide a cursory review of studies that claim legitimacy is a consequential organizational process. Second, I will offer a brief history of the multilevel marketing industry, company, and association of business owners responsible for the business presentations, and describe the analytic materials. After this, I will perform a discourse analysis of three excerpts from the business meetings, and then conclude the paper with implications of this analysis to the ongoing debate about the relationship between discourse and organizational processes.

Fact Construction as Pervasive Discourse Process

In order to show how both discourse and organizational processes are accomplished simultaneously, and thus treated as equivalent, I will first discuss studies that treat these as analytically separate processes. According to their discursive action approach, Edwards and Potter (1992) argue that fact construction refers to how versions of the world are assembled together and stabilized as factual and independent of the discourse producer. The process of fact construction is "one of attempting to reify descriptions as solid and literal" while the opposite process of fact destruction is to "ironize descriptions as partial, interested, or defective in some other way" (Potter, 1996, pp. 112-113). The processes of fact construction and destruction are, among other things[1], related to managing issues of stake (Potter, 1996). The term stake does not refer to one's inner, psychological motivations that get expressed through talk, as if these concerns exist extrinsic to discourse and that a function of talk was to serve as a conduit for them (Hopper, 1992). Rather, matters of interest and stake are salient issues that people build up, undermine, and attend to in their talk as part of doing particular interactive business (Edwards & Potter, 1992). Consider how stake is managed in the following example (from Potter, 1996, pp. 108-109) where students are discussing a noise that they hear outside of their apartment:

(DSS-K:94:1)[2]

Becky:	oi (.) sh shh (.) it could have been <u>that</u>
Neil:	NO that's not making a noise
	[
Alan:	no (.) something outside (0.4) it was definitely outside
Diane: →	Neil you've got shoes on

As competent conversationalists and as members of a culture where, to be able to go outside of the house, shoes must be or are often worn, Diane's turn can be heard as a request for Neil to go outside and investigate the noise. The way this request was made, however, was not a question, but rather was a description of an aspect of the situation.

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1 The process of fact construction has also been concerned with the use of externalizing devices, interpretative repertoires, active voicing, extreme case formulations, narrative detail, etc. (see Potter, 1996).

2 Refer to Appendix 1 for transcription conventions used in this paper, which were developed by Gail Jefferson (see pp. ix-xvi in Atkinson & Heritage, 1984).

Descriptions are especially useful for managing stake because a speaker does not have to say "I want you to go outside and check out those noises." Rather, this same action can be accomplished less directly with Diane's 'Neil you've got shoes on.' Potter (1996) notes how descriptions are employed to carry off an evaluation or other social action, especially since they can be defended as uninterested and unmotivated reports about the world. And, as Eisenberg (1984) illustrated in terms of strategic ambiguity, descriptions of this sort lend themselves to plausible deniability. Thus, if Neil's next turn was something like "There's no way I'm going out there, you go," Diane could respond with something like, "Well I didn't ask you to go, I was just saying you had shoes on."

Given that the process of fact construction has been investigated in a range of contexts, such as scientific discourse (Gilbert & Mulkay, 1984; Woolgar, 1988), news reports and interviews (Potter & Reicher, 1987), talk between a sitter and a psychic medium (Wooffitt, 1992), as well as calls to the police (Tracy & Anderson, 1999), we can, for the purposes of my argument, consider this to be a pervasive feature of human discourse.

Managing Legitimacy as Organizational Process

An organizational process that has received considerable attention is how organizations manage their legitimacy with their internal, and often external, environments[3]. The purpose here is not to provide a full review of the organizational legitimacy literature (for a synthetic review, see Suchman, 1995); rather, the purpose is to

[3] The distinction between internal and external environments is complicated and blurred in many organizations today (Cheney & Christensen, 2001), but especially in MLM organizations where there is an association of sales representatives, or business owners, who are not employees of the corporate organization but are affiliated with the MLM corporation.

argue that how existing research tends to treat research on legitimacy. To begin, Suchman (1995) synthesized existing literature and developed a working definition of this process: "Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (p. 574).

While legitimacy is investigated in terms of the strategic and institutional ways an organization establishes, maintains, and repairs legitimacy (Suchman, 1995), communication research often adopts a corporate advocacy approach which investigates how organizational spokespersons manage public messages to cast the organization in a favorable light, and to respond to critical incidents, or crises (Marcus & Goodman, 1991; Putnam & Fairhurst, 2001). The rhetorical strategies that organizations use to repair the organization's image after a crisis (such as excuses, justifications, mortification, ingratiation, corrective action, etc.), for example, has been compared to how individuals make conversational repairs (though see Allen & Caillouet, 1994 and Tyler, 1997 for important differences between corporate and individual actors). According to Putnam & Fairhurst (2001), with the focus on the rhetorical strategies that organizations use to communicate with various target audiences (often via channels as press releases, conferences, and interviews) corporate legitimacy research conceives messages "in light of senders and receivers rather than through the way they are embedded in an interactive process" (p. 104).

Thus, existing literature tends to treat the organization as a stable form (e.g., Enron) that prepares a message (e.g., press release) and sends this message to an audience (e.g., general public; Boyd, 2000). Importantly, organizational legitimacy research does not treat the communication process to be simultaneously a process of organizing. In contrast to the corporate advocacy approach identified above, the analysis of business presentations to follow will treat the legitimacy process as an ongoing concern that both speakers and audience members manage actively through their face-to-face interaction.

Brief History of Multilevel Marketing Industry

The data to be analyzed in this paper come from multilevel marketing business presentations for a new e-commerce "business opportunity." Since their inception in the 1940s[4] multilevel, or network, marketing organizations (such as Amway, Mary Kay Cosmetics, etc.) have dealt with various social and legal challenges regarding the legitimacy of their business practices. Much of this controversy concerns the pyramid organizational structure. MLM companies rely on networks of individual distributors and sales representatives who promote and sell products through face-to-face interactions. The distributors or salespeople are not actually employees of the larger company, but are independent contractors (in the case of salespeople) or engage in a legal franchising relationship with the MLM company (in the case of distributors). Both salespeople and distributors earn their income by buying products wholesale from the company and then selling them at retail prices to the customer (income can also be earned through certain performance bonuses offered by the company). Additionally, distributors and sales people can also sponsor other people to become involved in the business. In sponsoring others, individual distributors or sales representatives earn credit for the sales revenue, or

[4] Biggart (1989) argued that network marketing organizations are an outgrowth of direct selling organizations. She traced the history of direct selling back to colonial times, through industry organization in the 1900s, the emergence of network direct selling organizations in the 1940s, and then post-World War II era to the 1980s.

business volume, generated by those in their "network" (Biggart, 1989). While the pyramid or multilevel organizational structure was declared legal by the Federal Trade Commission in 1979[5], many social concerns, such as the use of evangelical discourse (Hopfl & Maddrell, 1996) and exploiting personal relationships for financial gain (Fitzpatrick & Reynolds, 1997), remained about whether participation in a MLM business is legitimate.

The MLM industry generates billions of dollars in revenues each year (Biggart, 1989). After years of revenue growth (and some cyclical decline) after World War II, multilevel marketing companies saw a significant drop in their revenues during the 1990s. For example, Amway, one of the major players, saw its 1998 sales revenue fall 18 percent to $5.7 billion (“Direct Sellers,” 1999). As a way to stimulate revenue growth, many MLM organizations launched web-based businesses to capitalize on the emergence of e-commerce (Amway Corporation, for example, launched Quixtar.com; Mary Kay Cosmetics launched MaryKay.com).

According to certain industry watchers (Berman, 1999; Byrnes, 2000), the emergence of the internet has transformed the way MLM companies do business. For example, MLM companies have set up "virtual malls" that link their company's products with other companies' products, thus allowing the distributors to "surf and earn," or buy products over the internet while generating business volume (a process similar to accumulating frequent flyer miles; Buechner, 1999). Further, the individual distributor is

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[5] The FTC was concerned that the network structure was too similar to a “Ponzi” scheme, which was based on the “use of paper profits to continue speculation in a chain of transactions" without the sale of goods or services (Biggart, 1989, p. 46). In short, as long as the company paid bonuses to its independent sales force (or distributors) based on goods sold, rather than just people recruited into the business, then the pyramid structure was declared legal by the FTC.

no longer responsible for placing the order for the customer and spending hours dealing with the paperwork, since this can all be handled electronically. Thus, the traditional "bricks and mortar" business model is replaced, or transformed, into "bricks and clicks" businesses (Buechner, 1999).

The MLM e-business being promoted by the presenters in this study is called Quixtar (www.quixtar.com)[6]. Affiliated with Quixtar is a large, international association of business owners called Tripp Worldwide (a pseudonym). While Tripp Worldwide is not the only association of "independent business owners,"[7] there are approximately 1.5 million IBOs that comprise this organizational line, or network, of sponsorship. As a large association, Tripp Worldwide, and not Quixtar, is responsible for conducting the business plan presentations used to recruit new people into the business, as well as training sessions for the people already involved in the business. While there tends to be relative consistency in terms of the business plan presentations and the training sessions, there is no formula that presenters necessarily have to follow in their presentations.

Analytic Materials

The data to be analyzed in this paper are business plan presentations of Tripp Worldwide and not Quixtar. However, due to the legal franchising relationship between IBOs and Quixtar, Tripp Worldwide and Quixtar are intimately connected, as the analysis will show. This paper contains data from two different business plan presentations

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[6] Quixtar was "launched" September 1, 1999 as a separate company from Amway. In fall 2000, Amway restructured so that both Amway and Quixtar, as well as a third company, Access Business Group, fell under the company Alticor.

[7] "Independent Business Owners" (or IBOs) emerged as the new name for distributors with the launch of Quixtar. As will be discussed below, the change in name reflects less emphasis on distributing or selling, and more emphasis on being an entrepreneur and owning a business.

(which is part of a larger corpus of seven business plan presentations and training sessions; see Carl, 2001). One presentation took place in a hotel conference room in the U.K. to about 50 people. A second presentation occurred in the living room of a home in the U.S. to 10 people. The U.K. meeting lasted approximately one hour and was audio and video-tape recorded; the U.S. meeting lasted approximately two hours and was audio-tape recorded only.

Both meetings were fully transcribed at the level of language choices, false starts, nonfluencies, repetitions, etc. (Tracy, 1995, p. 202) to identify descriptions of the business and business plan presentations. After this first pass, portions of these extracts and the surrounding turns at talk were then transcribed in greater detail with the Jefferson system (see Atkinson & Heritage, 1984, or Appendix 1, for a summary).

Analytic Section

After introducing fact construction (specifically, constructing descriptions and stake management) and organizational legitimacy as analytically separate processes, and providing a brief background on the analytic materials, the purpose of this analytic section is to show how these two separate processes can be treated as equivalent and simultaneously accomplished. Specifically, through analysis of three extracts of actual business presentations, I will claim that in the process of fact construction, organizational members are simultaneously managing the legitimacy of MLM organizational practices.

Extract 1: Constructing Business Descriptions and Managing Legitimacy

The first excerpt occurs towards the end of the U.S. business plan presentation in a private home when Anna, the presenter, is asking the audience for a commitment to the Quixtar business. She has suggested that the people in the audience are already successful and that they followed certain principles of success to get to where they are today (see Appendix 2 and note, in lines 1000-1024, the extended account she provides when asking for this commitment; this extended account, as well as pauses and re-starts, suggest a certain sensitivity and delicateness to the matter). She then goes on to say:

Extract 1 BP080499:1038-1053:WJC

1038	A:	.hh so you have put these things as a priority for you
1039		and stayed focused on those things (0.8) and
1040		for all of us to have achieved what we've achieved so far: (0.8)
1041		we had to make a priority < of what we (.) were (.) focused to do >
1042	?	and the same (0.6) type of principles (0.8)
1043		um: < apply: > to this business as well
1044		and so I'm I- I'm ASking you this because (0.4) it's important to know
1045		that as well (0.8) < that it's not like > the the-
1046		the fairy tale (1.0) you know (0.4) where the sky is falling (0.6)
1047	?	it's NO? T (0.6) you know this get rich (.) quick (0.4) sche:me
1048		that (0.2) it's just gonna(h) fl(h)y:: (.)
1049		out of the skies into our hands (.) so (0.4)
1050	?	there- there IS a me? tho? d (0.2) to be used (0.4)
1051		and it has been very successful (1.0)
1052		and: the one: (.) group of associates that we: feel privileged to be: (.)
1053		uh a- associated with? (0.8) is the < Tripp Worldwide > (0.8) group

In lines 1041-1042, the presenter emphasizes that the focus is on 'principles' of what each of the audience members have 'achieved so far' and that these same 'principles' apply to 'this business as well.' At line 1044, the presenter offers a second account in asking the audience for a commitment (see Appendix 2, line 1016, for the first formulation). In this second account, she suggests it is important to know that the business is not a 'fairy tale' or 'get-rich-quick scheme.' In fact, she constructs this version as laughable (note the laugh particle in line 1048 which is a subtle way of carrying off an assessment of this version in its very description). The version that she does build up, however, is that the business has a 'method to be used' and one that 'has been very successful.' This 'successful' 'method' version is presented as more consistent with the 'principles' of 'commitment' that the speaker had asked about earlier and connected to the audience members' previous achievements. The presenter concludes this excerpt by invoking an institutional identity (‘group of associates’, line 1052) and affiliation (with the ‘Tripp Worldwide’ group, line 1053), which suggests she is acting on behalf of a larger organization (rather than just as an individual), and that certain organizational business is being accomplished.

In this excerpt, then, we see how this discourse is organizational, or institutional in nature, as evidenced by establishing a relevant organizational identity and affiliation with Tripp Worldwide. Further, the speaker constructs a particular version of events through making descriptions about the business that counter inferences that the speaker is trying to “sell” a scam to the audience. That is, the speaker respectfully invokes 'principles' that the audience already aligns with, at least according to her version, and indicates the business is not a 'get-rich-quick scheme' (which could be commonly associated with such a "business presentation"). Further, the speaker positions the audience as the type of intelligent people who know that get-rich-quick schemes are illusory and thus would not get involved in such a scheme (that is, since they already have unique and independent goals and subscribe to sound principles of success). Thus, the two versions (legitimate business based on sound principles versus a get-rich-quick scheme) were used as a resource by the presenter to manage the delicate organizational activity of asking for a commitment to the Quixtar business.

Extract 2: Prospect Orientation to Managing Stake and Legitimacy

In contrast to much of the corporate legitimacy research that focuses on the messages produced by officially sanctioned corporate actors (Putnam & Fairchild, 2001), the face-to-face setting of this data offers an opportunity to analyze how both the organizational actor and a member of the "target audience" (in this case, a prospect) collaboratively produce interaction concerning organizational legitimacy. In this second extract, Anna, the presenter and current business owner, is making a presentation about starting up one's own e-commerce business to a group of new business owners and prospects. The presenter has already suggested that starting up an internet business is an exciting opportunity, but that before anyone starts up their own business, they should know what they want to achieve from it (refer to Appendix 3 for portions of the presenter's turns). The presenter then asks if people have a plan for the next five or ten years. The first person to respond to this question is a prospect who states that she has just retired from working and is looking to supplement her income. She goes on to say:

Extract 2 BP080499:121-132:WJC

P is for Prospect; A refers to “Anna,” the Presenter

121	P:	< A::nd u::m > (1.0) so that- (.) and (.)
122		I < thi:nk that the in:ter? net (.2)
123		is the thing > to be in to (.2) uh (.) at this ti? me (.)
124		and I think that the potential (.4) uh
125		for development (1.0) uh
126		you know (.) is astronomical (.)
127		and I- I just think it's a good opportu:nity (.5)
128		and so I'm interested to see what it ha:s to offer (.2)
129		uh (.) to se:e if it would fit in with my plans (.2)
130		I haven't finalized my (.6) uh (.) five to ten year plan
131		but they're still in- (.) being formulated
132	A:	Mm hmm

In lines 122-123, the prospect marks some tentativeness in her answer by the use of 'I think' (versus, for example, "I know") and then describes the internet as 'the thing to be in to,' with such characteristics as having 'potential for development' (lines 124-125), being 'a good opportunity' (line 127), and that it may have something 'to offer' (line 128). Taken together, these characterizations construct the internet as a factual object, that possesses its own agency (i.e., it has something 'to offer'), independent of what the presenter, for example, might say about it.

Next, the 'you know' (in line 126) is used as an appeal to common knowledge, which suggests that it is not just the prospect describing the internet this way, but it is how others might describe it too. The 'you know' is followed by an extreme case formulation ('is astronomical'). The use of extreme case formulations often marks a high level of intensity and highlights the fact that the need for action is self-evident (Pomerantz, 1986; Tracy & Anderson, 1999). Extreme case formulations about the internet or business opportunity package an account for action as part of the very description. That is, when the internet is described in such extreme terms, no further account, or explanation, is necessary to justify why something should be done about it[8].

At lines 128-129, the prospect says she is 'interested to see what it has to offer' and 'to see' if 'it' would 'fit in' with her plans. Whether the 'it' in line 129 refers to the internet or the Quixtar business opportunity is not clear, but the prospect seems to construct her 'plans' as separate from an object out there in the world and all its potentially good opportunities. Note the accountability work the prospect is doing with her version of the internet and her plans. That is, she talks in a way that suggests (i.e., makes inferences available for others in the room) her plans pre-existed this presentation about the internet (business), even though her plans might not be 'finalized.' The prospect makes herself accountable by providing a version of events where others could infer that she is someone who can recognize and be open to a good opportunity when she sees it (her plans are still 'being formulated'), but who is for now just an interested observer (note repeated use of 'to see'; in lines 128-129).

In this second extract, then, the prospect presents herself as someone who recognizes and is open to the opportunities the internet (business) provides (thus orienting to the version that the business plan is a legitimate business), but is still cautiously considering whether or not it 'fits in' with plans she has already thought about, independently of this meeting (thus orienting to the issue that she is not one to fall prey to any persuasive pitch and thereby managing her stake and identity in the presentation). Thus, as part of managing her stake, or involvement in this business presentation, she

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8 Note that the prospect’s use of extreme case formulations is consistent with how the presenter used extreme case formulations to describe the Quixtar business (see the presenter’s turns in lines 47-51 of Appendix 3)

simultaneously orients to the legitimacy of the business presentation as an organizational activity.

Extract 3: Entrepreneurial Discourse as Organizational Strategy

In her analysis of how MLM[9] organizations operate, Biggart (1989) argued that MLM organizations draw on entrepreneurialism as a way to legitimate the often mundane, and sometimes socially questionable, activities of being a MLM distributor. Basing her analysis on Weber's (1930) The Protestant Ethic and Spirit of Capitalism, she claimed that an American entrepreneurial ethic offered a culturally-valued ideal that blended (and/or blurred) distinctions between the social, political, and economic spheres.

In the following excerpt, the presenter seems to orient to, or display, such a "strategy" regarding being an entrepreneur rather than a marketer. This third excerpt is towards the beginning of a business plan presentation in the U.K. Up to this point, the presenter has oriented to potential concerns of the audience about a sales pitch, asked them to relax, and then suggested that they "take a look at the business idea" so that "we can see what's interesting" (see Appendix 4, Lines 81-105).

The short in-breath and 'NOW…internet' (Appendix 4, Line 105) marks a transition point, suggesting that certain business has been sufficiently addressed, and that the speaker can move on to the next item of business. Before the speaker gets to the internet, however, he positions himself in relation to a larger association that is responsible for this business presentation. Note especially lines 110-114 (in Extract 3

9 Biggart (1989) used the term network direct selling organizations, or network DSOs.

below) where the speaker describes the association as a marketing group and then repairs this description and offers an alternative description.

Extract 3 BP040600:105-117:WJC

105	M:	.hh N:OW (.2) um: internet (1.0)
106		um: (0.8) we are part (0.2) probabl- to start off very >quickly<
107		we're part of Tripp Worldwide (1.4)
108		you saw the name as you came in (4.2)
109		((writes Tripp Worldwide on the whiteboard))
110	→	<Tripp Worldwide (.) ar::e (.) a large> (1.2) ahem ((cough))
111	→	marketing group (1.0) I mean we're a large group of loosely-
112	→	a loose group of entrepreneur:s (1.0)
113	→	who are experts in marketing and training (0.8)
114	→	and we are very good at getting people getting their own businesses going (1.0)
115	→	.hh and been around for thirty ↓years (1.0)
116		and we have um:: (.) representation in many many countries around the world

In line 106, the speaker begins to invoke a collective, institutional identity ('we are part'). Since the speaker, however, has already suggested in line 105 that he will move on to the internet, he offers an account ('to start off very quickly') that will permit him to discuss the organization of which he is a part. After providing himself with an interactional slot, he re-starts his first identification with 'Tripp Worldwide,' reminding the audience that he is not providing new information ('you saw the name as you came in') and emphasizing the significance of the name (by writing the name of the organization on the whiteboard). At line 110, the speaker offers the first version of what Tripp Worldwide is: 'a large marketing group.' The speaker, however, treats this version as not accurate or sufficient, and begins a repair (line 111): 'I mean we're a large group of loosely-.' This second version, however, is also treated as inadequate, and thus a third version is offered: 'a loose group of entrepreneurs who are experts in marketing and training and we are very good at getting people getting their own businesses going.'

This positioning practice and formulation of who the organization is and what they are about deserves commentary. First, the speaker has positioned himself to speak on behalf of a group of business owners, rather than just himself as an individual, by invoking 'we' two times before this formulation (lines 106-107). By being in the position to speak on behalf of a large, international organization, and not just as an individual, he displays that it is more consequential to provide an appropriate and adequate characterization of the organization. Second, the speaker provides three different characterizations, each of which makes available different inferences for the audience. The inferences or connotations at stake in each version can be analyzed based on the variability among the different versions (Potter & Wetherell, 1987).

Version 1:	'Tripp Worldwide are [sic] a large marketing group'
Version 2:	'I mean we're a large group of loosely-'
Version 3:	'a loose group of entrepreneurs who are experts in marketing and training and we are very good at getting people getting their own businesses going.'

Version 1 contains three key words: 'large,' 'marketing,' and 'group.' Version 2 keeps 'large' and 'group,' deletes 'marketing,' and adds 'loosely.' Based on the differences between these two versions, the speaker treats the characterization 'marketing group' as problematic in some way, suggesting that 'marketing' is not significant enough to primarily characterize what the group is about. Additionally, 'large…group' in Version 1 may suggest rigidity, formality, or high control, which is then modified in Version 2 by adding 'loosely.' In Version 3, however, the emphasis is removed from the organization being 'large,' and the emphasis is placed upon 'a loose group of entrepreneurs' which suggests flexibility and relative autonomy. The speaker treats the issue of first using the phrase 'marketing group' (in Version 1) as something to orient to and account for, since he returns to the issue in Version 3. This time, however, the 'loose group' is made up first and foremost as 'entrepreneurs' who are 'experts in marketing' and also 'training.' Further, the speaker adds that what this group is 'very good at' is 'getting people getting their own businesses going,' which emphasizes that the organization is about training issues ('getting people getting their own…') and entrepreneurial activities of starting independent businesses ('getting their own businesses going'). This last added characterization (lines 112-114) has the effect of downplaying the marketing aspects, though still acknowledging them, and accentuating the independent business aspects.

The various repairs are also interesting for two other reasons concerning how informality is managed (Atkinson, 1982). First, the repairs show that the interaction is not scripted, but is being actively worked up by the speaker in the moment. Second, by displaying that he is working up this version of Tripp Worldwide as he goes along, the speaker communicates to the audience that he is orienting to concerns that may be relevant to them, as recipients. By constructing the talk to orient to their concerns, their concerns are treated as important and unique to this interaction, rather than being pre-planned in advance (which might be construed as a "sales pitch").

This third extract, then, illustrates yet another orientation to both the legitimacy of the business and, simultaneously, fact construction. Descriptions of Quixtar were not constructed so much as legitimate business versus sales pitch or get-rich-quick scheme (as Anna did in Extract 1), but instead as an entrepreneur (which connotes the notion of building a business) versus a marketer (which suggests selling, promotion, and persuasive ends). The presenter manages these two versions as part of positioning himself within a larger association of other business owners. By invoking this organizational affiliation, an identity is constructed as a legitimate member of a loosely structured group that trains people to start their own independent businesses (i.e., “entrepreneurs”), rather than being a part of a rigidly structured group of people who actively peddle the business (i.e., “marketers”).

Discussion

While there are other excerpts that could be analyzed (see Carl, 2001), these three are sufficient to establish the simultaneous accomplishment of both discourse (in the form of fact construction and stake management) and organizational (in terms of legitimacy) processes. But, as I hope the analysis illustrates, the separation of “discourse” and “organization” is artificial, in at least two ways. First, it is through discourse that speakers and audience members orient to this communicative event[10] as “organizational” (for example, by both Anna and Michael aligning, or affiliating, themselves with Tripp Worldwide as an organizational identity). Second, the way that presenters and audience members manage their stake in the business presentations and describe what the business is (and is not) simultaneously constitutes how they manage the legitimacy of the presentations as an organizational activity, the legitimacy of Tripp Worldwide, and in turn, that of Quixtar as a legitimate “business opportunity.” The presentations, then, as a discursive activity, are a site where the organization is manifested, or where organizing takes place. In this way, discourse and organization are equivalent processes.

[10] The term “communicative event” is used here to highlight that the definition of “what is going on here” (for example, is it a sales pitch or a business presentation?, etc.) is up for grabs and negotiated by the participants.

This paper also has implications for the distinction between individual and organizational actors in multilevel marketing organizations, as well as how organizational legitimacy is studied as impression management. First, existing research in corporate advocacy research has drawn on individual impression management strategies (such as apologies, excuses, justifications, ingratiation, etc.) and applied those findings to how organizations use such strategies in responses to crises (Marcus & Goodman, 1991; Allen & Caillouet, 1994). This distinction has been useful because, as Marcus and Goodman (1991) and Tyler (1997) indicate, one difference between organizational actors and individual actors is that organizations are often motivated to deny responsibility and not admit fault, especially given concerns that an admission of fault may imply their legal liability. In terms of the data presented in this paper, we might be likely to assume that the face-to-face settings suggest that that these are "individual" actors and not "organizational" actors. As noted in the analysis, however, organizational identities were made relevant by presenters of the business meetings, which suggest they were acting as organizational representatives rather than just individuals. Further, not only were the presenters and audience members jointly negotiating the issue of legitimacy for the presentation as a communicative event, but also for Tripp Worldwide as an organization, and in turn, for Quixtar as a legitimate e-commerce business model. To have a fuller understanding of organizational legitimacy in terms of multilevel marketing organizations, then, we need to not only investigate the officially sanctioned press releases and press conferences for the MLM company (e.g., Quixtar), as existing corporate advocacy approaches emphasize, but also the discourse of the association of business owners (e.g., Tripp Worldwide) through business presentations, training sessions (Carl, 2001), and rallies (Hopfl & Maddrell, 1996).

This paper also raises another implication for the study of organizational impression management strategies. As mentioned above, previous research has assembled a typology of various impression management strategies (such as accommodative, defensive, ingratiation, denouncement, intimidation, mortification, etc.) used by organizations to communicate with target audiences (Marcus & Goodman, 1991; Allen & Caillouet, 1994). The development of a typology yields worthwhile findings about the different types of strategies used, how many are used, and what types may be more effective than others, etc. A typology, however, does not give us insight into how a particular strategy is discursively accomplished because the goal of developing typologies is to gloss over the interactional details in order to make more general claims.

For example, consider Extract 3 and the use of "entrepreneurial discourse" as an organizational strategy. Impression-management literature would suggest that the organization is pursuing a strategy of ingratiation, which is designed to garner audience approval by conveying conformity with the attitudes, values, and beliefs of the organization's environment (Allen & Caillouet, 1994). In this case, the goal is to invoke the positive values of independence and initiative associated with being an entrepreneur[11] that the organizational actor presumes is a broader cultural value of its audience (i.e., potential prospects). As an analyst's category, labeling the strategy as ingratiation is not problematic. However, if we stop there, we may overlook the important connection that I have been arguing for in this paper, which is the relationship between discourse and

[11] As Biggart (1991) notes, however, entrepreneurialism is also often associated with "risk-taking" while MLM discourse tends to downplay the risks of starting up one's own business and emphasizes the benefits (see also Carl, 2001).

organizing. That is, by coding strategies and developing typologies, we miss how the strategy is accomplished through processes of fact construction and stake management, and in turn, how these discursive moves simultaneously accomplish the process of organizing.

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Appendix 1 -- Transcription Conventions (adapted from Atkinson & Heritage, 1984)

(.)	The shortest hearable pause, less than about (.2) of a second
(0.3) (1.0)	Exactly timed pauses, in this case 3/10 of a second and 1 second
.hhh, hhh	Speaker's in-breath, and out-breath respectively
huh huh	Laughter syllables
A(h)re	(h) denotes 'laughter' within words
cu-	A dash designates a sharp cut-off of a prior word or sound
So:::	Colons show that the speaker is extending a word or sound, with more colons representing longer sounds
(syll syll)	Material in single brackets represents unclear speech rendered in the approximate number of syllables
( )	Unclear speech or noise where no approximation is made
↑my ↓door	Arrows indicate rising or falling intonational shifts
?	Indicates a rising tone
Without	Underlining indicates emphasis
THAT	Capital letters indicate speech noticeable louder than that surrounding it
°soft°	Degree signs indicate speech spoken noticeably more quietly than the surrounding talk
>fast<	'Greater than' and 'less than' signs indicate the talk they encompass <slow> was produced noticeably quicker or slower than surround talk
over[lap [over	Square brackets between adjacent lines of concurrent speech denote the start and ending points of overlapping talk
→	Side arrow indicates a point of special interest addressed in the text
[...]	Indicates that material has been left out of the extract
[material]	Material in square brackets indicates transcriber's commentary

Appendix 2 BP080499:1000-1024:WJC

1000	A:	So: um:: I'm giving you that history (.) just because (0.8) um:
1001		uh < I wanted to > let you all know that it really truly works
1002		and: we're at a- a point in this business that is really exciting
1003		because (0.6) um (1.0) what I see coming up in the next (0.2)
1004		um year is gonna be phenomenal (0.8)
1005		and for all of you it will be phenomenal (0.8)
1006		as much as you participate in it (.) so (0.6)
1007		< if we could help you do: > (2.0)
1008		the kinds of things that you were talking about (0.6)
1009		and they weren't all financial (1.0)
1010		a lot of 'em having to do with the fact (0.2)
1011		of being time-deprived (0.6) um (0.6) uh (0.4)
1012		the: (0.4) uh (0.2) new Quixtar (0.4) is uh really accessible to (.) fast income
1013		and uh but- uh we'll go through the details of that later (0.8)
1014		< but if we could help you to achieve the things
1015		that you mentioned > (1.4) um: (1.2)
1016	?	would you (0.6) have a commitment? (0.8) um
1017	?	to make this a- uh make it a priority for you
1018	?	to be able ta (.) achieve the ? things that you talked about? (0.8)
1019	?	and are you- are you willing ta: (0.8) you know
1020	?	take the steps that (1.0) um: are necessary to: (0.8) make it a priority
1021		in the fact- in the- in the way that (1.8) you put a timeline: (1.6)
1022		to help (1.0) yourself (1.0) do what's necessary to do in order
1023		ta (.) achieve (0.2) the things that you ? talked about? (1.0)
1024		because (0.8) that's what we ha- found we had to do for ourselves

Appendix 3 BP080499:42-66:WJC

42	A:	I think (.) first and foremost
43		[[phone rings fourth time]]
44		it's really important for us
45		to realize why we're together (.2) um:: and (.)
46		why we chose what we chose (.) um (.)
47		and uh Quixtar is a (.)
48	?	really excit:ing (.) um internet business that (.)
49	?	we're all- and all (.) can benefit from and- and I know that
50	?	many of us are gonna (.) MEGA-bene:fit from
51	?	because it's such an exciting opport>unity< (.2)
52		but before you do any? thing: (.2)
53		there has to be an impetus for doing it (.4)
54		and um (.) be- and so I kinda just wanna
55	?	open it < up to YOU > as to-
56	?	and pose a question to all of YOU
57	?	as to what you want to achieve (.2)
58		as far as um-
59	?	if you could write a ? script for yourself (.2)
60	?	for the next (.) five years or the next (.) ten years or
61		how you could see yourself
62		living and what- and doing (.)
63		and being (.) and (.) all of those things (.2)
64		>what kind of< script: (.)
65		could you write for yourself in- in- in your vision of- of
66		what you want to ha:ve (.2) for yourself (.2)

Appendix 4 BP040600:81-105:WJC

M: and (.) um: (1.0) all I >really want you to do is< relax (0.6)
I'm not trying to sell you an idea (0.8)
I'm not trying to rope people in to anything
or anything like that (1.0) >you know< (0.4)
at the end of the day (0.6) I'm just gonna give you an overview (0.4)
.hh then you can go away (0.8) think about it if you want to (1.0)
get back together with the person whose a:sked you:: (0.2)
and they can answer your questions or (.) find out anything
th- that's missing from the thing (0.6) and talk about what
to do at the next stage if you're interested in taking it any further (1.0)
.hh um so that's all there is to it (1.0)
some people are very worried about uh (.) you know (.)
am I trying to sell you something get some money off you
or anything like that (0.8)
I don't make any money out of trying to get registration fees
or anything like that (0.8) .hh you would need to register on a computer
system at some point (.) which will end up costing you about eighty quid↓ (1.6)
and I'll explain a bit more about that later↓ (1.0)
but that is (0.2) you know (.) your basic investment
so you can now relax (1.0)
I'm not talking about capital investment (1.0)
and that's basically it (0.4) so you just relax and- (0.4)
>take a look at the business idea< (0.8)
and then we can see what's interesting (1.4)
.hh N:OW (0.6) um: internet